South Saskatchewan River Basin
Water Management Plan
Phase One

Results of Consultation With the Basin Advisory Committees

October – November, 2001

Compiled by
Alberta Environment
January, 2002

Process

Basin Advisory Committees (BACs) were established in the four sub-basins of the South Saskatchewan River Basin. The objective of the BACs during Phase 1 was to provide advice to Alberta Environment on implementing transfers of allocations of water under licence.

Membership on the BACs was designed to represent all sectors interested in water management. (BAC members are listed in Appendix A.) Each sector was invited to select its own representative on the BACs.

A series of meetings were held with the BACs during October and November, 2001. (Appendix B) The process began with a joint meeting of the BACs on October 10th, followed by meetings of the individual BACs.

A workbook on transfers was prepared to assist the BACs in their deliberations. (Appendix C) The workbook contained background information and questions on:

- The matters or factors that must be considered in making a decision on a transfer.
- Withholding a portion of an allocation to protect the aquatic environment or implement a water conservation objective.
- The information that should be tracked concerning transfers.

The BACs had far-ranging and productive discussions concerning transfers. (Appendix D) They generated excellent ideas and advice on how issues related to transfers should be handled. These ideas have been reviewed and evaluated to develop the draft water management plan for Phase 1.

This report will be revised to incorporate public input received during December, 2001 and January, 2002 following the open houses and the second joint meeting of the BACs

Workbook Questions

On the questions in the workbook, this is a summary of the advice that was provided by the BACs:

Q1. What matters or factors should be included in the South Saskatchewan River Basin Water Management Plan for consideration in making a decision on a transfer of an allocation of water under a licence?

Red Deer BAC: Matters or Factors That Must Be Considered

Workbook Discussion Synopsis

Must a matter or factor be considered when making a decision on an application for transfer of an allocation under licence?

Matter or Factors Discussed		Yes	No
1	Rate (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	●	
2	Timing (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	●	
3	Location	●	
4	Change in water quality due to assimilative capacity issues (consider quality of return flows that are not regulated under AEPEA)	●	
5	Existing, potential or cumulative effects on the aquatic environment (including riparian areas)	●	
6	Existing, potential or cumulative effects on any applicable water conservation objective	●	
7	Existing, potential or cumulative hydraulic, hydrological, and hydrogeological effects (including the linkages between surface and ground water)	●	
8	Existing, potential or cumulative effects on household users, traditional agriculture users and other licensees	●	
9	Effects on public health	●	
10	Effects on public safety	●	
11	Other matters that the Director considers relevant	●	
12	Whether or not the transferred water allocation is determined to be "excess".		●
13	That the transferee demonstrate efficient use of water (i.e. conservation)	●	
14	Impact on Apportionment (i.e. transfers must not result in the Red Deer having to increase its contribution to apportionment)	●	

Bow BAC: Matters or Factors That Must Be Considered

*Please note the additional information contained within the footnotes below.

Must a Matter or Factor be Considered When Making a Decision on an Application for Transfer of an Allocation Under Licence?

Matter or Factors Discussed	**Must**	**Different Views**[1]	**May**
Rate (including diversion, consumption, return flow, environmental effects, allocation of water historically used, evaporation and other losses from the water being diverted downstream)	•		
Timing (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	•		
Location	•		
Change in water quality	•		
Existing, potential or cumulative effects on the aquatic environment (including riparian areas)	•		
Existing, potential or cumulative effects on any applicable water conservation objective	•		
Existing, potential or cumulative hydraulic, hydrological, and hydrogeological effects (including the linkages between surface and ground water; and apportionment with Saskatchewan)	•		
Existing, potential or cumulative effects on household users, traditional agriculture users and other licensees	•		
Effects on public safety (including fire protection and effluent dilution)	•		
AENV must define "public interest" and determine triggers for when social impacts will be evaluated.	•		
Other matters that the director considers relevant[2]			
Speculation in water allocations[3]			•
Cumulative social effects[4]		•	
Not allowing those with "excess" allocation (i.e., allocation acquired for future needs) to transfer their excess allocation		•	
Water conservation (including irrigation rehabilitation)		•	
Monitoring and enforcement: How do you make sure the water gets to the person who bought the allocation? Agreed that monitoring and enforcement should be sufficient to allow transfers to be done in a sustainable fashion. Differing views on whether or not that level of monitoring and enforcement must be in place before transfers are allowed.		•	
No net loss of environmental quality[5]		•	
Wildlife impacts		•	

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[1] One member noted that the differing views are a result of insufficient time and/or information.

[2] The Bow BAC decided to leave this blank intentionally with the view that it is not applicable.

[3] Some members felt that the market will take care of speculators. Bob reiterated the concept of "reasonable prospects" and added that individuals must be able to use the water. One member felt that this was predicated on satisfactory monitoring and enforcement. Various methods to potentially manipulate the system were discussed. Conclusion: "May consider" was selected because it was felt that the necessary provisions are in place.

[4] Bob clarified that most water transferred would not invoke an Environmental Impact Assessment (EIA). If an EIA is required, social effects would be considered. A few members felt that social effects are more important than environmental or economic effects and to fail to access them would be a mistake. One member felt that the size of the transfer is what is really important; another felt that the process would become too onerous if too much is requested for consideration. An example of social impacts in Colorado of transfers from irrigation to industry was discussed.

[5] One member felt that "no net environmental loss" is adequately covered by the aquatic environment bullet. Another suggested that the entire process is predicated on "no net environmental loss".

Oldman BAC: Matters or Factors That Must Be Considered

- Effects on third parties. Possible compensation from a transferee or transferor to third parties who could suffer harm. Ideally those parties involved would be satisfied before the transfer takes place.
- Effects on the aquatic environment. No harm should occur to the aquatic environment as a result of the transfer. Consideration should be given to instream needs and there should be the flexibility to deal with each situation on a case-by-case basis.
- The transfer application should be accompanied by a water management plan which includes a conservation/efficiency component. These plans must be in place prior to the transfer being approved.
- The sale of transfers or movement of water out of the province (interprovincial or international) should not be allowed. Steps and measure to identify these possibilities need to be developed.
- A high level of public interest within the basin should be considered in reviewing a licence transfer.
- The Director MUST consider all of the matters and factors currently identified in the Act 82(5).

South Saskatchewan BAC: Matters or Factors That Must Be Considered

- Temporary or permanent transfers – can they be adjusted according to the effect on the environment downstream and upstream. All transfers (upstream and downstream) should ensure that there is 'no harm' on a third party (of equal or senior priority) between the transfer (from the old diversion to the new diversion) or further downstream. The 'user' is to include the aquatic environment as well as human or industrial use.
- Fully allocated vs fully used – the transfer, or consideration of a transfer, should examine the changes in the system … for example if you are currently using 60% of your allocation, and decide to transfer the remaining 40% (upstream or downstream), effects or changes in the overall system of water use should be considered.
- Water quality of return flow in urban and rural systems.
- Effects on the aquatic environment dealing with waste assimilation.
- Effects on the user and aquatic environment by upstream transfers.
- Just as the Irrigation Districts Act requires that land must be identified as being suitable for irrigation if it is to receive water for irrigation, the Director must consider the suitability of the land for irrigation in the case of a transfer for that purpose.

Q2a. What factors should be included when considering the withholding of water to protect the aquatic environment or implement a water conservation objective?

Q2b. Should a fixed percentage of water be withheld (10% or less) or should the percentage be left to the discretion of Alberta Environment?

Red Deer BAC: Holdbacks

Until WCOs are Determined:

AENV should not miss an opportunity to withhold a full 10% of a water allocation transfer to meet any anticipated IN/WCO deficits. Once WCOs and INs are established in Phase II, AENV should have a mechanism to return to the transferee any withheld water that, in hindsight, was not a necessary holdback.

If AENV cannot return "excess" holdbacks under the *Water Act*, consider approving a transfer with a "subject to" clause that may result in the withholding of up to 10% to meet an IN/WCO once established (similar to the current practice of issuing water licences in the Red Deer basin where they are subject to a yet to be determined instream objective.)

Location of Holdbacks Within the Basin:

Holdbacks should occur on the identified river reach with an IN/WCO deficit *and* anywhere upstream that would also reduce a downstream deficit. The general principle to follow is to exercise the holdback option when and where it would result in the reduction of an existing IN/WCO deficit.

Further Consideration :

Explore the possibility of the province holding back more than 10% with compensation at market value (when significant IN/WCO deficits need addressing).

Bow BAC: Holdbacks

- **Question 2a:** What factors should be included when considering the withholding of water to protect the aquatic environment or implement a water conservation objective?

- **Response 2a:** All items as noted in Question #1 should be considered.

- **Question 2b:** Should a fixed percentage of water be withheld (10% or less) or should the percentage be left to the discretion of Alberta Environment?

- **Response 2b:** Ten percent should be withheld unless otherwise approved by the Director. The Department must clearly define the circumstances under which the Director will be permitted to withhold less than 10%. In addition, the Department must try to apply withheld water to the period(s) when water is needed in the stream for the aquatic environment or Water Conservation Objectives.

Oldman BAC: Holdbacks

- There should be no holdbacks on a temporary transfer less than or equal to five years.
- There should be holdbacks on permanent transfers, up to 10%, where it is needed to meet INs or WCOs.
- If licence is a gift to the Crown for aquatic environment – no holdback.
- In the absence of WCOs, 1-10% holdbacks (once transfers are authorized) should be withheld if it will benefit the downstream aquatic environment; but for tourism, recreational, transportation, waste assimilation uses, water should be withheld only if a WCO is established (WCO's to be established in Phase 2).
- Holdback variances, if there are any, should relate to water yield trends, not necessarily related to individual years.
- There should a list of publicly available criteria to be used in decisions about the amount of water to be withheld in a transfer.

South Saskatchewan BAC: Holdbacks

- Criteria the director uses should be available to the public
- Manage for median flows.

Q3. What information should Alberta Environment be tracking concerning water transfers?

Red Deer BAC: Transfer Tracking

- Track utilization of water allocations to monitor for any speculation.

- Track the matters and factors that were deemed to be important in the Director's original consideration of the transfer (see matters and factors listed in table for Workbook Question #1).

Bow BAC: Transfer Tracking

- **Response #3:** [The results below are largely the result of a brainstorming session and as such, a detailed analysis of each point below was not conducted.]
  - Quantity of land to be irrigated;
  - Quality of land to be irrigated (e.g., salinization and erosion potential, land rating);
  - Impact on vegetative cover;
  - Socio-economic changes (e.g., new user fees);
  - Number of applications, volume, and number approved;
  - Price (objections were noted due to privacy concerns);

- Timing (in critical season?);
- Purpose (from what use to what use?);
- Any matters and factors considered by the Director should be tracked for a period of time to verify the performance of the decision;
- Amount withheld;
- Quality of water;
- Monopolies;
- Are the transfers temporary or permanent;
- Shifts in location;
- Effective date of change;
- Complaints from groundwater users;

- **Decisions:** It was suggested (with an apparent great deal of support) that an annual water transfer report be prepared summarizing the data and highlighting applicable trends (i.e., not just providing data, but making sense of it all). It was also agreed that the list in Response #3 as noted above will remain "as is", however, the BRBC may add additional items in their written submission.

Oldman BAC: Transfer Tracking

- Is the aquatic environment improving? There are many parameters to consider.
- The volume of the holdbacks per year.
- The number of transfers per year, per section of river.
- Average length (time) of a temporary transfer.
- Number of permanent and temporary transfers.
- Utilization of new licences.
- Trends in uses – separate commercial/industrial from domestic in municipal uses.
- Track if licence/transfer is being used for the licensed purpose.
- Monitoring water quality at all return flows (including in urban areas).
- Track actual number of licences held by one person or company (monopoly concerns).
- Track the number of holders associated with volume. This should be determined by volume not by number of licences.
- How many transfers are upstream as well as downstream.
- The number of appeals. . Outcomes.
- Track conservation practices in water use plans.
- Track the progress of achieving or meeting INs (by km of river).

South Saskatchewan BAC: Transfer Tracking

- Track stream health as the transfer program and holdbacks progress. Initially to establish a baseline and then determine the best time intervals.
- How much volume is transferred.
- How much volume in the holdbacks and use.
- Has the transfer process actually increased the overall consumptive use.

- Tracking ownership (monopoly and foreign ownership concerns).
- Changes in water quality due to transfers.
- Water administration could track dollars
- Changes in consumptive uses
- What and where there are changes in use
- How much of the water is being returned to the stream over the whole program – over a certain reach – other?

Outstanding Issues

Members of the BACs recognized that transfers are a new tool for water management in Alberta. They stressed that their advice was provided in a very short period of time and that they wanted to be kept informed as Alberta Environment proceeds with implementing transfers.

A variety of issues were raised by BAC members that could not be resolved during their meetings. Some of these issues relate to transfers, while some issues relate to other aspects of water management. The following list provides examples of the outstanding issues that were raised in BAC meetings:

- transfers are not the only tool for improving water management
- strengthening of public notification requirements
- the equity among sub-basins in terms of apportionment and the setting of water conservation objectives
- adequacy of monitoring and enforcement
- economic and social impacts of transfers
- implications of the North American Free Trade Agreement
- definition of a "licence in good standing"
- protection of more important uses (e.g., household)
- changes to the *Water Act*
- changes to who would make decisions on transfers
- climate change

Appendix A

Members
of the Basin Advisory Committees

Red Deer River Basin Advisory Committee

Representing	**Member**	**Alternate**
Municipal	Arthur E. Eckert County of Newell PO Box 55 Duchess, AB T0J 0Z0 W: (403) 362-3266 H: (403) 378-4791	Vince Fabian County of Newell PO Box 160 Tilley, AB T0J 3K0 W: (403) 362-3266 H: (403) 377-2485
	Dug Major Special Areas Board PO Box 820 Hanna, AB T0J 1P0 W: (403) 854-5614	Stratton Peake Special Areas Advisory Council Box 1, Site 2, Finnegan, AB T0J 1L0 W: (403) 854-5614
	Maurice Lewis Red Deer County 4758 - 32 Street Red Deer, AB T4N 0M8 W: (403) 350-2150	Glen Wagstaff Kneehill County PO Box 400 Three Hills, AB T0M 2A0 W: (403) 443-5541
	Arthur H. Grenville Starland County PO Box 35 Morrin, AB T0J 2B0 H: (403) 772-3843	Douglas J. Fleming Palliser Regional Municipal Services 115 Palliser Trail PO Drawer 1900 Hanna, AB T0J 1P0 W: (403) 854-3371
	Ian Harvie Mountain View County Bag 100 Didsbury, AB T0M 0W0 W: (403) 335-3311	Neil J. Angus County of Rocky View #44 911 - 32 Ave. N.E. Calgary, AB T2E 6X6 W: (403) 230-1401 nangus@gov.mdrockyview.ab.ca
	Bill Shaw City of Red Deer / Town of Lacombe Suite 404, 4808 Ross Street Red Deer, AB T4N 1X5 W: (403) 343-3394 bills@pcps.ab.ca	Milton Elliot M.D. of Clearwater #99 PO Box 550 Rocky Mountain. House. AB. W: (403) 845-4444 H: (403) 729-2490
Industry	Al Kennedy Nova Chemicals PO Box 5006 Red Deer, AB T4N 6A1 W: (403) 314-8639	Darren Lysak Union Carbide PO Box 5501 Red Deer, AB T4N 6N1 W: (403) 885-7000

Red Deer River Basin Advisory Committee (cont.)

Representing	Member	Alternate
Industry (cont.)	David Price Canadian Association of Petroleum Producers Suite 2100, 350 - 7th Ave S.W. Calgary, AB T2P 3N9 W: (403) 267-1100	
Agricultural	Greg Conn AB Cattle Commission RR#1,Site 21, Box 1 Innisfail, AB T4G 1T6 W: (403) 227-6692	Joyce Van Donkersgoed Intensive Livestock Working Group 11 Burns Road Lacombe, AB T4L 1P1 W: (403) 782-5153
	Jack Swainson Alberta Conservation Tillage Society RR #1, Box 9, Site 22 Red Deer, Alberta T4N 5E7 H: (403) 343-3172	
Environmental /Recreation/Tourism	Dwayne Papke Alberta Outfitters Association PO Box 1800 Sundre, AB T0M 1X0	
	David Gursky Western Walleye Council PO Box 224 Millet, AB T0C 1Z0 W: (403) 227-3391 ext: 1364	
	Colin Kure Fish and Game Assoc. Site 17, Box 1, RR#1 Innisfail, AB T4G 1T6 W: (403) 728-3425	Jill Dyck Fish and Game / Drumheller PO Box 704 Drumheller, AB T0J 0Y0 W: (403) 823-7707
	Margaret Coutts Red Deer River Naturalists PO Box 785 Red Deer, AB T4N 5H2 H: (403) 341-6801	
	Ian McFarlane Ducks Unlimited #1 5550 - 45 Street Red Deer, Alberta T4N 1L1 W (403) 342-1314	

BOW BASIN ADVISORY COMMITTEE (Nov 5/01)

Category	Representative	Email Address
Rural Municipal	Councillor Norman Kent	northco@cadvision.com
Rural Municipal	Councillor Hugh Pepper	hpep2000@yahoo.com
Urban Municipal	Neil Hollands	tnbrooks@eidnet.org
Urban Municipal	Judy Stewart	jmstewart101@hotmail.com
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Irrigation	Jim Webber	jwebber@wid.net
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Recreation	Howard Heffler	hheffler@home.com
Ecosystem Protection	Gary Kindrat	g_kindrat@ducks.ca
Ecosystem Protection	Heinz Unger	heinz.unger@3web.net
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BRBC Technical Support	Menno Homan	mhoman@earthtech.ca
BRBC Technical Support	Mark Bennett	mbennett@earthtech.ca

Oldman River Basin Advisory Committee

Representing	Member	Alternate
Upstream Rural Municipalities	Brian Hammond MD of Pincher Creek Box 279 Pincher Creek, AB T0K 1W0 W: (403) 627-3130 F: (403) 627-5070	Rod Cyr MD of Pincher Creek Box 279 Pincher Creek, AB T0K 1W0 W: (403) 627-3130 F: (403) 627-5070
Downstream Rural Municipalities	Hank Van Beers MD of Taber 4900B – 50th Street Taber, AB T1G 1T2 W: (403) 223-3541 H: (403) 725-3783	Cecil Wiest MD of Taber 4900B – 50th Street Taber, AB T1G 1T2 W: (403) 223-3541 H: (403) 739-3920 F: (403) 739-2290
Upstream Towns and Villages	Ralph Bourque Town of Pincher Creek Box 1508 Pincher Creek, AB T0K 1W0 H: (403) 627-4368 townpc@telusplanet.net	
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	Duncan Lloyd Town of Coaldale 1920 – 17th Street Coaldale, AB T1M 1M1 W: (403) 381-5539 duncan.lloyd@agric.gov.ab.ca	
City of Lethbridge	Doug Kaupp Water Utilities Manager City of Lethbridge City Hall 910 – 4th Avenue South Lethbridge, AB T1J 0P6 W: (403) 320-3078 F: (403) 329-4657 dkaupp@city.lethbridge.ab.ca	Barbara Lacey City Hall 910 – 4th Avenue S Lethbridge, AB T1J 0P6 H: (403)328-5462 blacey12@home.com
First Nations	Vacant	

Oldman River Basin Advisory Committee (cont.)

Representing	Member	Alternate
Industry	Greg Nikles Rogers Sugar Ltd. 5405 – 64th Street Taber, AB T1G 2C4 W: (403) 223-3535 gnikles@rogerssugar.ca	
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Liaison from the Oldman Dam Environmental Advisory Committee	Henry Bosman Oldman Dam Environmental Advisory Committee 105 McGill Blvd Lethbridge, Alberta T1K 3V8 H: (403) 381-8684 bosmanhn@telusplanet.net	Andrew Hurley Oldman Dam Environmental Advisory Committee University of Lethbridge 4401 University Drive Lethbridge, Alberta T1K 3M4 W: (403) 329-2245 hurley@uleth.ca

South Saskatchewan River Sub-basin Advisory Committee

Representing	Member	Alternate
Rural Municipalities	Floyd Haas Cypress County P.O. Box 108 Dunmore, AB T0J 1A0 W: (403) 526-2888 H(403) 838-2280	Len Mitzel County of Forty Mile P.O. Box 160 Foremost, AB T0K 0X0 W: (403) 867-3530 H: (403) 666-3915 Mobile: (403) 548-5738
Urban Municipalities	Frank Wetsch City of Medicine Hat 717 – 16 Street SW Medicine Hat, AB T1A 8E6 W: (403) 529-8227 FRAWET@city.medicine-hat.ab.ca	David Teasdale City of Medicine Hat 717 – 16 Street SW Medicine Hat, AB T1A 8E6 W: (403) 529-8176
First Nations	Vacant	
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Agriculture (Other than water users)	Len Mitzel County of Forty Mile P.O. Box 160 Foremost, AB T0K 0X0 W: (403) 867-3530 H: (403) 666-3915 Mobile: (403) 548-5738	Floyd Haas Cypress County P.O. Box 108 Dunmore, AB T0J 1A0 W: (403) 526-2888 H: (403) 838-2280
Environment	Corlaine Gardner Grasslands Naturalists Box 2491 Medicine Hat, AB T1A 8G8 W: (403) 529-6225	
Recreation	Duncan Baldie 21 – 2nd Street SW Medicine Hat, AB T1A 4A7 W: (403) 526-3142 H: (403) 526-3871	Merv Peterson Box 567 Redcliff, AB T0J 2P0 H: (403) 548-6725 C: (403) 548-4644 Pager: (403) 548-8328

South Saskatchewan River Sub-basin Advisory Committee (cont.)

Representing	Member	Alternate
Recreation (cont.)		Ralph Pinder Box 413 Redcliff, AB T0J 2P0 H: (403) 548-3407

Appendix B

Meeting Schedule
Basin Advisory Committees

Meeting Schedule: Basin Advisory Committees, October – November, 2001

October 10th	Joint Meeting of Basin Advisory Committees, Calgary
October 17th	Bow Basin Advisory Committee Meeting, Calgary
October 23rd	South Saskatchewan Basin Advisory Committee, Medicine Hat
October 25th	Oldman Basin Advisory Committee Meeting, Lethbridge
November 1st	Red Deer Basin Advisory Committee Meeting, Red Deer
November 7th	Oldman Basin Advisory Committee Meeting, Lethbridge Bow Basin Advisory Committee Meeting, Calgary
November 8th	Oldman Basin Advisory Committee Meeting, Lethbridge
November 13th	South Saskatchewan Basin Advisory Committee, Medicine Hat
November 21st	Bow Basin Advisory Committee Meeting, Calgary
November 23rd	Red Deer Basin Advisory Committee Meeting, Red Deer
November 24th	South Saskatchewan Basin Advisory Committee, Medicine Hat
November 27th	South Saskatchewan Basin Advisory Committee, Medicine Hat
November 29th	Oldman Basin Advisory Committee Meeting, Lethbridge
November 30th	Red Deer Basin Advisory Committee Meeting, Drumheller

Appendix C

Transfers Workbook

WATER ALLOCATION TRANSFERS WORKBOOK

South Saskatchewan River Basin
Water Management Planning
Phase #1

October 16, 2001

Introduction

The purpose of this workbook is to help the Basin Advisory Committees provide advice to Alberta Environment for its review of applications for water allocation transfers within the South Saskatchewan River Basin.

Under the *Water Act* (sections 58 and 81-83), a water allocation transfer application is needed if it is proposed to separate an allocation from the land or undertaking specified in a licence.

The transfer process begins when an individual, business, or other organization sends the application to Alberta Environment. The process ends when a director in a regional office of Alberta Environment approves or refuses to approve the transfer and all appeals have been concluded. The requirements for the decision on a transfer application are described in the *Water Act* (sections 81 to 83). Among the requirements are public review of the proposed transfer and consideration of the matters or factors specified in an applicable approved water management plan.

Some questions have been prepared to help you understand water allocation transfers and develop your ideas and views on how transfer applications should be handled.

These questions are based on the experience of Alberta Environment staff, experience in other jurisdictions, and the experience, questions, and views of members of the public. This includes the information, ideas, and questions raised at the Four Basin Joint Advisory Committee meeting held on October 10, 2001 in Calgary.

The questions cover the main issues related to water allocation transfers. You may have additional information to provide. We encourage you to share that information with other members of the Basin Advisory Committees and with Alberta Environment staff.

1. Matters or Factors to Consider

In making a decision on a transfer application (*Water Act*, section 82(5)), the director must consider the matters or factors specified in an applicable approved water management plan. The director may also consider:

- existing, potential, or cumulative
    - effects on the aquatic environment and any applicable water conservation objective
    - hydraulic, hydrological, and hydrogeological effects
    - effects on household users, traditional agriculture users, and other licensees
- effects on public safety
- suitability of land for irrigation (when applicable)
- the water historically diverted under the licence
- any other matters applicable to the transfer that the director considers relevant.

Q. What matters or factors should be included in the South Saskatchewan River Basin Water Management Plan for consideration in making a decision on a transfer of an allocation of water under a licence?

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2. Holdbacks

Up to 10% of an allocation can be withheld from a transfer if the director is of the opinion that withholding the water is in the public interest to protect the aquatic environment or to implement a water conservation objective (WCO).

In the *Water Act* (section 1(1)(iii)), a "water conservation objective" means the amount and quality of water established by the Director under Part 2, based on information available to the Director, to be necessary for the

(i) protection of a natural water body or its aquatic environment, or any part of them,
(ii) protection of tourism, recreational, transportation or waste assimilation uses of water, or
(iii) management of fish or wildlife,

and may include water necessary for the rate of flow of water or water level requirements.

Q. What factors should be included when considering the withholding of water to protect the aquatic environment or implement a water conservation objective?

a. Only withhold water for reaches of rivers that are currently stressed ☐
b. Withhold water for all reaches of rivers ☐
c. Other ______________________________
____
____
____

Q. Should a fixed percentage of water be withheld (10% or less) or should the percentage be left to the discretion of Alberta Environment?

Fixed percentage ☐
Leave it to the discretion of Alberta Environment ☐

3. Evaluation of Transfers

Water allocation transfers are a new tool for managing water in Alberta. As part of its normal administration, Alberta Environment will be tracking what happens with transfers in the future.

Q. What information should Alberta Environment be tracking concerning water transfers?

Appendix D

Deliberations of the Basin Advisory Committees

Four Basin Joint Advisory Committee Meeting

October 10, 2001

Questions and Comments
from BAC Members

SOUTH SASKATCHEWAN
RIVER BASIN

WATER MANAGEMENT PLANNING
PHASE #1

FOUR BASIN JOINT ADVISORY
COMMITTEE MEETING

QUESTION AND COMMENTS
FROM BAC MEMBERS

HELD AT:

Executive Royal Inn, Hotel & Conference Centre

Calgary, Alberta

October 10, 2001

ART ECKERT: Art Eckert from the County of Newell. I am with the municipal side.

You talk about the way to get approval is through the management plan or the Order in Council, and I would like to have an "and" in there so that the first one couldn't do it alone.

ALAN PENTNEY (Alberta Environment): You are correct in that the water management plan needs to go to Cabinet and then an Order in Council is created.

MR. ECKERT: But you said "or" and I would like an "and".

MR. PENTNEY: The "or" -- I think the "or" is correct because the other option is that if, say, you wanted to transfer some water to another part of the basin, you can go -- we can take that to the Minister and treat it as a special case and take it to Cabinet.

MR. ECKERT: I guess my point is that I didn't want the bureaucrats to do it on their own.

MR. PENTNEY: You can't avoid us. But once the water management plan is in place, there is no need for the "and" I guess is my point.

MR. ECKERT: Okay.

MR. PENTNEY: David...?

DAVE HILL: Dave Hill with the EID and Bow Basin. You have a mention there about cumulative effects being considered. Have you given any thought as to how that fits into either phase one or phase two?

MR. PENTNEY: Perhaps I could defer to David on this. My impression is that it is more of a phase two, phase three. It has -- you have the ability to consider cumulative effects.

Ernie maybe or Dave any comments?

DAVE MCGEE (Alberta Environment): I don't see a concern there. The cumulative effects have to be considered before you can do any of the first steps. It is a wise thing to do all the way along.

There are probably some things that you might want to consider, and cumulative effects are something that you should always consider in everything you do. There are some stages along the way, though, where we can make improvements on what we administer and what we do now by putting some tools in place that don't necessarily have to answer the day-to-day questions about how an allocation is made. How an allocation is made is going to have to include cumulative effects so you can provide a decision-maker with some tools and instruct him to then follow certain procedures when making a decision which would include that.

MR. HILL: We are really still talking about from the base case today, and then as we move ahead, that is when we will figure in how we manage those cumulative effects?

MR. PENTNEY: Maybe if I could comment. It depends on the definition of cumulative effects.

If you are talking about the cumulative effects of water allocations on other water allocations with your blinders on, that is one definition.

The other one is do we take into account water quality, land use, all of those things? And that's where, I think, we get into the third phase.

MR. PENTNEY: Keith...?

KEITH FRANCIS: You talked about -- Keith Francis from the Oldman River Basin and Irrigation. You talked about the instream flow needs science. Is that completed now? Will this result in any adjustments or changes in the allocation of the instream flow needs to any of the rivers within our system?

MR. PENTNEY: A good question. The instream flow needs science is almost complete. I believe it is essentially completed. They are checking their data, they are reviewing it, and they are going to be producing information for your consideration by the end of this calendar year.

The preliminary indications are that if you-- I'm not sure how much you have been briefed on it, but for example, channelization or channel maintenance is another consideration -- a new consideration that is being brought to the forefront as far as instream needs are. And it depends, how you manage that channelization can use up significant volumes of water depending on what time of year you want to do that.

So that all needs to be -- the science needs to be brought to the table with what is the actual amount of water we've got to use and then phase two is where you, as a BAC, are going to arrive at what is the water volume that is going to be in the streams. So, it could have a significant effect. It depends on the river.

PETER WATSON (Alberta Environment): I think you mentioned that the BACs will be getting all of this information on this instream flow needs science as part of the first phase and that's what we will be asking you to focus on for this first phase.

Alan is right, the second phase, Keith, is where we will arrive at specific objectives, and you used the word "adjustments". That is where we will arrive at those figures that we are wanting to manage for on a reach-by-reach basis.

In the first phase, because we are focusing the first phase on implementing water transfers, one of the key questions that the Act allows us to do, if we implement transfers, is to identify areas where we might need to hold back some water as part of -- as a result of a transfer allocation.

As part of the first phase, we are not asking you to arrive at the specific numbers because we realize that is going to take a fair bit of debate and effort to arrive at the numbers. We are asking you though, however, to identify areas where you feel there may be a need for some of the holdbacks as part of implementing transfers.

Are there areas where the information shows that we clearly have a gap? We don't know what the exact number is, but we are going to go through a process in phase two to find that exact number. But we clearly have a gap or a deficit.

Perhaps that is an area where we might want to use these water conservation holdbacks that the Act already allows for. That information will all be available to us in the first phase, but we will be asking you to focus on that specific question.

MR. FRANCIS: What it would seem, Peter, if you are talking about transfers, you need to know what the IFN's needs are in order to implement any transfers that are going to take place.

MR. WATSON: That is why we are going to give you that information so that we can reach some conclusions on where the areas are where we have a gap or a deficit, that we might need to use transfers to recover some water. That will allow us to implement that tool that the Act provides for us.

In the second phase, we will -- that we are starting right again early in 2002, we will focus in on what is the specific number? What is the numerical objective that we're shooting for here that we are going to continue to manage and we are going to have all of our processes following on from.

MR. FRANCIS: Thank you.

COLIN KURE: I am Colin Kure. I am with the Alberta Fish and Game and I farm on the Red Deer River.

I appreciated your historical background and the fact that we're going to have to adjust some numbers here. But I wonder if this whole review shouldn't be focused a little more on watershed protection rather than -- We are kind of getting behind things now already, and I am wondering if the province, after this review is finished, are going to be prepared to put a little more resources into the watershed in the line of protection and dedication? -- because as we all know, the Department of Environment has been downsized considerably over the last few years.

So my question is: Is juggling numbers going to alleviate the problem that we've got in central and southern Alberta?

MR. MCGEE: Obviously, there isn't one answer that is going to solve everything. I think part of the point here is that it is a very complex issue, aside from dragging a hundred years of history along with you while you make the next decisions.

I think your point is well taken that the environmental issues have fallen behind the allocation issues and they need to catch up. I think that is a lot of what has generated these kinds of issues that have brought you here actually today to help solve.

The allocation -- the constant allocation until there is nothing left brings resistance from those who would prefer to see something left in the river. The lack of a consensus on how much that should be is a lot of why we're here today.

If it was easy to say: This much should be in the river, this much should be allocated, we know there is this much, we would just go and do it and cut everything off and say: That is the end of economic development. Now what's next?

It is not that cut and dried. I think your point is very well taken, that that is part of the issues that you need to work into everything else that you do.

I am going to come back to your question a little later on when we talk about full allocation in basins and how go to forward from there. If you could give me the time to do that presentation, and then bring your question up again, maybe we can answer it a little bit better.

MR. WATSON: Can I add to that? There are probably three -- a few other things we need to say. We are going through a process right now in our department in looking at our business plan and how we spend our resources; a hundred million dollar budget for environment. If we're lucky, we will maintain a hundred million dollar budget.

The question is: Are we making the best use at that at protecting the environment today? I think that is a fair question. We are reviewing that question and we are trying to figure out how we can make the best use of the resources that we've got and that we expect to go forward with in the future.

We are going to put a lot more effort on stewardship approaches, watershed approaches, watershed protection initiatives. And Dave is right, we need to kind of catch up to where we are in the allocation stuff.

The second phase of the plan I think will be extremely helpful for basins, sub-basins and local communities to get their heads around watershed approaches and where do we need to be.

What are some of the indicators that we need to be at. So when we talk about water conservation objectives and some of these tradeoffs between protection and demand, those will hopefully give us, at the end of that phase, the performance indicators for reaches of rivers and for our watersheds.

Then we intend to move forward and work with local communities on: Okay, we've got these performance indicators, now what do we need to be doing within a watershed collectively? -- because we don't do it all.

Environment doesn't do it all. The local municipalities play a large role; industry, the community, the individual landowners. Everybody has a stake in this, but I think at the end of that second phase, which will at least have these performance indicators, that will allow us to move forward much more effectively with the watershed approach and say: We are making improvements. We are actually seeing improvements or we are still approaching these objectives that we have.

So, will there be more resources? I doubt it. Can we use our resources more effectively? I believe so. Are we promoting watershed approaches? Absolutely.

And you are going to see more of that as we move forward, and the first two phases of that plan are going to help us do that even better.

MR. MCGEE: That is what I meant.

GREG CONN: Yes, Greg Conn, Red Deer Basin Agriculture. This may found a little facetious, but it's not meant to be. Mr. Foote -- you never quite finished his story -- when he held up his piece of paper saying that he had water rights, was it worth anything at that time and is it worth anything today? And when we are done with that process, will it be worth anything?

MR. MCGEE: Yes.

BILL SHAW: A quick clarification. I need examples so some times -- Bill Shaw, City of Red Deer.

The availability of water licenses from, let's say, the 1900s, are they for a specific use and if this specific use is no longer in place, are they still valid?

I guess the example of the train companies using water for steam engines, is that still a valid water right? Do they still have a valid license so that they can transfer that water?

MR. MCGEE: That is the meat of some of the things that I am going to talk about a little bit little later. The language we use on that now is: Is it in good standing?

There has always been a provision in the acts right from 1894 forward; that is the use it or lose it. If you're not using it, it is cancelled.

Some of those haven't been cancelled because we didn't get through the files and do it. I cancel between 20 and 30 licenses a year; not everybody is really happy with that.

Some of them are abandoned and it is just a paper exercise. Some of them people object to, but they are not are using them, haven't used them. And the CPR has a number of licenses left over from old steam engine filling days. They haven't been used, we cancel them.

We often get somebody coming in saying: I bought this place. I heard there was a license here 50 years ago, now I'm going to use it. They can only use it if they use it exactly the same way it was licensed for and the plans that were tied to the license are actually used or something reasonably similar.

If you want to get rid of the log crib and put in concrete, that's fine, but if it is for filling steam engines, go ahead and fill your steam engines. I guess if we didn't get around to cancelling it, then go ahead. And if you don't, I am going to cancel it now that I know about it. We do that on a routine basis.

The purpose that each license was issued for has to remain the purpose that the water is used for, primarily because the things that were considered when that license was approved had to do with its purpose.

Obviously if something was issued for irrigation, it was intended that the water be taken during the open water season, not in January. Nobody ever considered the impact of that project in January. It was considered in the open water season.

So if you are just going to switch it and use it in a different way and take water out from under the ice, it will create a different condition, and it will impose on somebody who is downstream who normally took water in January who never had any idea you were ever going to go out there in January because you were an irrigation license.

So we would hold you to the purpose of that license; the same rate of diversion, the same volume, the same time periods. All of those conditions have to apply in order to keep the water license going through time.

STAN KLASSEN: Supplementary to that, does that come out off the Calgary office or does that come out of Winnipeg or Ottawa that --

ERNIE HUI (Alberta Environment): That has come out of Calgary at this point in time. I think that is safe to say. I know that there is some meetings that are taking place either today or this week with people from the Winnipeg and east side, so hopefully we will get that same commitment out of them.

VINCE FABIAN: Vincent Fabian from the County of Newell. I would like a clarification on that first bullet over there. But the reason I am asking for it is we are just going through a process of assessment, or there is a deal going on that some of us are paranoid about: The value added aspect of and non-recognition of a farmer. What does that actually mean?

MR. HUI: I think what this really means is when an application comes in to Alberta Environment, what we are trying to look at is: Where does our staff provide value to the review of that application?

Are we just following processes for the sake of following processes, or are we actually adding some value to looking at the application, looking at the assessment, looking at the impact. What is our value in reviewing that application that has come forth? What I am talking about here is we are going to make sure that the things that we do actually add value to the process, that we're simply not just following a process for the sake of saying: Hey, this is my job. This is the process that I've always known, we should always follow it.

So, it is not meant to sort of take away anything that any other type of government or any type of agency is doing right now. This is just looking at -

MR. FABIAN: By virtue of that, it is not going to have any effect on assessment?

MR. HUI: It is not going to have any type of impact on that, but we are just sort of looking at, you know, some of our bureaucratic processes, if you want to call it that. Do those add value.

MR. FABIAN: One more high hypothetical deal: Okay, in the irrigated area, there is one permit for the whole district. There has been talk about should individual people get a permit, you know -- a license, rather, say they want to drill a well or whatever.

Can you touch on that a little bit? There is a blanket deal picked up --

MR. HUI: There is a blanket deal that if you are within the irrigation boundary, the area of -- and if you're using water for irrigation from the surface sources that is licensed to the board, right, then you don't need anything from Alberta Environment; irrigation using the district's water, nothing from us.

If, however, you are going to be drilling a well and using that well for whether it is irrigation, industrial purposes, whatever, you're not covered by the irrigation district; right? Then you must come forward, you must apply to Dave, or whoever is in your area. You must apply for the license at that time.

There are other examples of industries that use the irrigation, their water that has allocated to them, but we have to keep in mind that those industries are over and above the volumes that have been given to the boards for their irrigation uses.

So if I'm going to set up a potato chip factory in Brooks -- Right, Dave? -- and if I say that I want to use the EID's water, the EID does not have water allocated to them for my potato chip factory. They have water allocated to them for their irrigation needs.

I would have to apply to Dave and say: I need a license. I'm taking water, but it is going through the works of the EID.

MR. FABIAN: One more little thing and I quit.

Also a feedlot, for instance, setting up, that would also be a requirement?

MR. HUI: Exactly.

JUDY STEWART: I am Judy Stewart. I am with the Bow River Advisory Committee and I am representing urban municipalities.

Ernie, I just want to know how long these registrations for traditional use are taking, and if there is a process that you could take just to fire off a letter, as soon as you get an application, to let the people know that you have received it.

Because I have heard from a lot of people saying they don't know the stage it is at and they have been waiting a long time.

MR. HUI: That is a very fair question. I know that some people took advantage of it right away, and they applied, like the day after the Act came into effect

Part of our difficulty has been sort of trying to amass the resources that is required to process these applications. I am happy to report that we've probably processed about a thousand of the 6,000 that we've gotten to date.

We are looking at ways to make sure that we let people know that their application is in the queue, it has been received, it is just a matter of getting to it.

One point that I do want to make, though, is that there is no advantage gained, whether, you know, it is in the queue or it's not in the queue. If it is in the queue, it is likely going to get addressed. There is no advantage being gained just because it is sort of sitting on our desks, so to speak, right now.

But we are hoping that we're going to get some additional resources -- knock on wood -- and we'll hope to get the majority of them processed through hopefully by March of this year.

MS. STEWART: The reason I am asking is because people know the deadline is December 2001, and they're saying: Well, I sent it in but I don't know if they got it; just a little process as soon as it hits the desk a little letter and then they know --

MR. HUI: If you have clients that are asking that, I think the easiest thing for them to do is just to call us and we can give them an indication as to where it is.

MR. HUI: Transfers go beyond just a fully allocated basin. You can implement transfers in any basin because you can say: Well, geez, you know, if Jim Webber decides that his junior priority is not good enough, he has an opportunity to use transfers as a means to ensure his level of risk.

IAN HARVIE: Is there any liability with that?

MR. HUI: Let's go back to first principles. When you get a license from the government, the government does not guarantee that that water is there.

The government says that: Here is a license that allows you to use that volume of water when it is available and you must use it in the priority that has been assigned to that particular --

MR. HARVIE: The reference was more between second and third parties.

MR. HUI: Not to my understanding. That is like the caveat emptor rule. If you choose to begin a transaction and acquire a water allocation, the liability issue is between you and the second party that purchased it.

I think the other key thing here is that transfers can be a temporary thing or a permanent type of transfer.

What's the benefit of going to a temporary? The best example that I like to use is the EID saying that: You know what? Our water, we have too much of it -- Dave will hit me for that, but that's okay -- and that we think that over the next ten years we don't require 20,000 acre feet of water. And geez, Bob, if you're willing, if you want to take it for 20 years, let's talk transfer.

At the end of 20 years, that volume of water that was transferred goes back to the EID. So, there is some benefit in looking at temporary transfers.

UNIDENTIFIED SPEAKER: Will you ever get it back?

MR. HUI: It depends on the deal, right. These are what I would term to be the three key parts of a transfer. You deal with volume, you deal with priority and you deal with time.

A question there?

MARK BENNETT: Mark Bennett with the Bow. Can you transfer out of the original use category?

MR. HUI: Do you mean going from irrigation, per se, to some industrial type use?

MR. BENNETT: Yes.

MR. HUI: Yes, we do not see a sort of a restriction on that. Of course, it is going to be dealt with in the whole review of that application, but we're not going to come out and say that you can't transfer part of your allocation and that part can only be used for agriculture, or something of that nature.

I have already talked a little bit about this, but the review criteria that we're going to use, once an application comes in, as I said, is very much similar to the review criteria that we use when we're dealing with a brand new allocation of water.

So, we're going to be looking at volume. Is it there? Is it available?

Secondly, we're going to ask the question: What impact does that transfer have on the water body? What impact does that transfer have on the aquatic environment? And as I said at the very outset, who is being harmed by this transfer?

It will take all those factors into consideration when we're dealing with an application for a transfer, very much in the same way when a new allocation is being requested.

Our review, and what the Act says, is that there is a requirement for a public review of the application, and keeping in mind how we deal with brand new applications, this form of public review will likely be through the public type of notice requirements that we have right now.

So, our current process is an application comes in, the proponent has to place a notice, and the public has an opportunity to provide input statements of concern.

DUNCAN LLOYD: Duncan Lloyd from the Oldman. How long does the average application take, like say I made an application today, and you go through that whole public review process? Would it be six months, or two months or a month? -- because you've to advertise it for 14 days or something.

MR. HUI: I think that is an excellent question. The question was: How long does our process take?

In terms of an application that comes in, gets advertised, and there are no statements of concern, at best I think that it would take us somewhere between eight weeks to 12 weeks to process through from once we get it to the end.

And that includes the requirement for the public advertising period which is a 30-day period, okay? That is a general time line.

Once we get into the process where there are statements of concerns that are raised, I think the time frame cannot be stated with a sort of a, yes, it is going to take 16 weeks. I think it sort of at that point really depends on the level of the statements that have come in, the number that have come in, and the issues that they raise.

I think, Dave, we can say that there are some that take over a year --

MR. MCGEE: Oh, yeah.

MR. HUI: -- at times, and there are some that, even with the statements of concern, we still meet the eight- to 12-week general time period.

So it just depends on what the issues are, and the numbers of people that are making those type of issues.

AL KENNEDY: My name is Al Kennedy. I'm with the Red Deer River Basin.

Ernie, you're saying there is going to be a public review, statements of concern. Are you indicating to us that the Environmental Appeal Board may be involved in transfers?

MR. HUI: Yes, absolutely.

MR. KENNEDY: Even though there is a water management plan endorsed by Cabinet?

MR. HUI: Yes, because remember what I said in my first topic there which was: Public consultation was a integral component of The Water Act and every opportunity was to be given for the public to have that type of interaction with the Crown.

So Al has raised a good point that even if there is a water management plan that says, "Yes, you have transfers," and even if Dave McGee gets an application and sees that and says, "Okay, I will make a decision, and my decision is either yes or no," someone who has submitted a statement of concern in this process can say, "I don't agree with that decision," and that I take it to the appeal board.

Remember what I put up there, new directions, proponents must take into consideration the appeal board and include it as part of their planning of their proposal.

MS. STEWART: Judy Stewart, Bow River Advisory Committee. If it is a temporary transfer, when you say it is for 20 years, at the end of 20 years, whenever it reverts back, would the new conditions revert back as well?

MR. HUI: Excellent question. I don't have an answer for that, Judy. I am being quite honest in that. I think we'll have to flag that and ask that.

MR. MCGEE: I'll answer that.

MR. HUI: You can answer that.

MR. MCGEE: Probably not; probably even no. We're assuming, as Ernie described, that the reason for the new conditions is to deal with interference with a third party. So if you're reverting back to the original place, then you're no longer interfering with the third party so those conditions become irrelevant.

So I would assume that when you went back, there wouldn't likely be any bringing back of additional conditions. You would go back to the original license as it was then.

MS. STEWART: Okay.

MR. HUI: Do you have an addition to that question?

TISH KILBURN: Tish Kilburn with the Bow River.

So with that opening up of a license and it reverts back, does that still open up the original licensee with conditions that could be imposed on their original license?

MR. HUI: No.

MR. MCGEE: No, there aren't supposed to be any tricks to this, so there shouldn't be any hidden agendas where we try to find some devious manner to fool you into transferring something so you will transfer it back and then we can get your old license with something else. That is not part of anything here.

So if the principle is you're moving it, therefore, conditions should apply to resolve some issues, when you go back again, you're going back to the same place you were at before.

So I can't see any rationale for dragging those conditions with you or any others. I don't think that would be fair, and it could create an uncertainty so people wouldn't want to transfer because you don't know what you're going to get into next. We're supposed to be about certainty; not creating additional problems.

MR. BENNETT: Mark Bennett with the Bow. This morning you talked about with transfers there is the potential for -- and it is not a very comfortable word but a claw back --

MR. HUI: A holdback.

MR. BENNETT: A holdback. If it is a temporary transfer, does that holdback get returned with the original amount or does that stay now in the river and only the net gets returned -- reverts at the end of the 20 years.

MR. HUI: I think that is an excellent question. Dave, you can add on here, but my take on that is that I think that part of that is going to be directed by the group here. I mean, that is part and parcel of why the Basin Advisory Committees are being asked for the input is if a holdback is applied, how should it be applied?

Should it be applied to these -- to the temporaries? Should it be applied to permits only? These are some of the questions that you will likely have to cover.

So, while I'm not going to suggest what my view is, I think that is something that you're going to provide advice to government on.

MR. OHRN: Can I just provide an over-arching comment on that? That's why we're here today is to familiarize you on some of these topics that need to be addressed.

And we are going to attempt to organize a workbook for the Basin Advisory Committees with a number of the key questions and from your review of the material, you may have other questions.

Ernie and Dave know tons about this stuff, but this is a new area and your input will be sought this fall on a number of these kinds of questions that have come up, and on ways to matching them coming up.

So I just wanted to sort of put the planner's perspective on this in terms of the role that you will be playing.

FLOYD HAAS: Floyd Haas, South Saskatchewan River Basin. We were talking about irrigation waters here just a little while ago, that is transferred from A to B.

If the license goes out for, let's say, 10 gallons a minute, who monitors that?

MR. HUI: I think that is a very good question. I think it is a broader one than the specifics about the rate.

People have always asked: Does the transfer cross -- do the transfer provisions apply to groundwater? And they do equally. You could have a groundwater transfer.

In other jurisdictions, the experiences there have been that very few groundwater transfers ever take place. We don't anticipate that -- when transfers are turned on, we don't anticipate very many, if at all, any groundwater transfers to come forward.

MR. HAAS: Because there is one in the making for two and a half years, and it is someplace in your department -- whether it is being held up.

It don't know if it's no or yes on that issue.

MR. HUI: I'm not so sure --

MR. HAAS: I was questioning the other day where it was at.

MR. HUI: There are bigger questions surrounding that one that you refer to. But do these provisions apply to groundwater? Yes.

Who would monitor it? Likely the licensee as directed by the Crown. That's how I would think that it would work.

MR. HAAS: There is one approved down there for ILO. That was appealed. That was appealed, and the appeal was upheld, so that was also groundwater and there was quite a bit of water coming out of there.

MR. HUI: I think the general response is that whatever I am saying here applies equally to surface and to ground.

MS. STEWART: Judy Stewart, Bow River. Is it possible for the Advisory Committees in their discussions to deal with the issue of groundwater versus surface water and make a recommendation as to whether groundwater should be considered transferrable, or is that something outside the scope --

MR. HUI: I am going to defer that question to Doug or to Alan, but did you want to --

MR. OHRN: The blanket answer is yes, unless there is something in the Act or regulations that specifically outlaws it, and I get the sense from Ernie there isn't. So, the answer is yes.

MR. HUI: Dave wants to jump in here for a minute.

MR. MCGEE: Just to comment on the groundwater thing. When we're doing -- talking about transfers, we are talking about water that has pretty well got to come from the same source.

So, when you get to groundwater, groundwater could come from many different sources depending on depth, so the water coming from that aquifer could be sourced from somewhere else and taken from that point. Then you could do a transfer.

But you wouldn't be able to transfer water that was taken from the Stavely aquifer and transfer it to another aquifer 400 miles away that has nothing to do with the previous aquifer. It's got to come from the same source.

So, because groundwater is so much harder to follow around than surface water, it would be highly unlikely that anyone would be able to prove that they were taking it from the same source if they were any great distance away. So, that then becomes a limiting factor on whether or not you would be able to process a transfer.

So, yes, you could access the system and if you could prove that you were actually taking the water from the same source that far away, then, yes, it can be dealt with. But that's the reason for the limitation.

MR. HUI: There is a question way in the back.

MR. SHAW: Bill Shaw, Red Deer Basin. Does that follow, then, that you could transfer water from the Oldman in name to the Red Deer and vice versa? They are different sources.

MR. MCGEE: There is a very small window for that to actually happen. It gets into a very technical discussion. You would have to show that if you were taking the water from, I forgot which way you wanted to go --

UNIDENTIFIED SPEAKER: Oldman to Red Deer, I think.

MR. MCGEE: The impact that you would have would have to be evaluated where the water would come together. So if the water flowed down the Oldman, the common point for the new source would be somewhere on the border of Saskatchewan, and the impact would have to be assessed along those two trails in order to make the move.

It would be an extremely difficult technical argument to make that you're taking the same water; not impossible, but very, very difficult to do.

MS. KILBURN: It is Tish with the Bow. With respect to what you just mentioned there, is a stress situation first going to be something that we would identify, of how you determine stress; and two, within that, is that predetermined or is that something that is just determined season by season or application by application? Or are these reaches or rivers going to be identified as stressed before this goes through?

MR. HUI: That is a very good question. I guess my initial reaction is that hopefully those issues would be covered in your phase two which is movement towards identifying what the water conservation objectives are.

MR. OHRN: I would like to add a little bit to that. In your terms of reference in the definitions at the back, we have taken a stab at just a preliminary definition of stress, and that is to say a river that usually is running less than the instream need -- the scientifically determined instream need for fish or riparian vegetation, and so forth.

That instream need results we will be providing to the committees this fall, and part of your work will be looking at some results that will give you just a preliminary overview, an assessment, of which reaches might be considered stressed, and we'll probably have some biological opinions for you on that subject.

But the BACs can review this material, reach their own conclusions and take it from there in terms of what recommendations they care to make.

But that is just sort of a quick look at it.

Phase two, as Ernie says, will be where the real detailed discussion will occur, hopefully with some what we are right now calling performance measures that will look at different -- the impacts on the environment at different flows and then recommendations can be made based on that knowledge. So I hope that helps.

MS. KILBURN: Yes, thanks.

BRIAN HAMMOND: Brian Hammond, Oldman Basin. I would like the rationale behind why the price of these leases or these licenses, rather, was not to be regulated by government when in fact the water is owned by Her Majesty, in right of the province.

There is really no value added to the license itself, as time accumulates over a long period of time, but suddenly when transfer becomes available, it has a huge value attached to it, and that is a windfall profit for the license holder. With all due respect to a license holder, that is something that belongs to the people of this province.

What is the rationale behind not -- the government not being involved in setting the rate behind that license?

MR. HUI: The answer to that is simply that at the time that the Act was being put into place, the government's view was that it should be the market that dictates the price of the water license.

And they drew the example that even back then, and as it is today, the market is in essence dictating the price of your land to some extent. If you look at some parts of Alberta, if you have a water license on your land, you are certainly going to be looking at paying more on a per-acre charge for that land than if you have simply a dry quarter section of land.

So the government's rationale -- and I am just telling you what the government is --

MR. HAMMOND: So it was a political decision, in other words?

MR. HUI: I think it would be safe to say that it was a government decision.

MR. HAMMOND: Fair enough.

MS. STEWART: Judy Stewart, Bow River. I am just wondering if these committees are going to be given some opinion as to whether or not transfers open up water as a commodity under NAFTA. And if it is possible to get that kind of an opinion for the committee so that that is dealt with up front?

MR. HUI: I think I have gotten some opinion. It is not complete. Like it doesn't take a look at the overall questions that sort of pop up ranging from NAFTA to GATT, to whatever else they have out there.

But I think I will -- I can certainly, from my point of view, go back and look at some of the stuff that we got, see if it privileged or not.

If it is not, then I will certainly make them available to Doug and Doug can move them forward as best he sees fit.

JIM WEBBER: Jim Webber from irrigation on the Bow Basin, for Dave as he is standing there.

Your warmth towards the use-it-or-lose-it philosophy, how does that work in with irrigation planning? -- because you license your district for the worst possible years, maybe one in ten. So for nine of those years you're not going to use your full license.

You also then expressed an interest in conservation and encouraging people to conserve water. Are the two in conflict? -- because if the use-it-or-lose-it philosophy comes through, you are encouraging people just to push it through the system just so they can show the numbers even if it was used or not.

MR. MCGEE: Yes, those are excellent points.

The "in good standing" line is what we need to solve that issue. There will be several solutions to it, not just one.

The jurisdictions that have gone ahead with transfers and have been through this have created some criteria for "in good standing".

I would suggest to you that Jim makes a pretty good case for hanging on to that extra water because he can show sufficient hydrology that indicates that he will need it at a certain time. He is going to show us that the capacity of his canals are sufficient that he will actually be able to put it through the canals and use it at the time and that there is sufficient land and people continuing to be interested in using it.

And given all of those things, then perhaps that allocation should be left there, and because they maintain those facilities, it should be in good standing.

What I don't want to see is some kind of a race to cancel things or, you know, little devious plots that if you do this, then you can get that, and then you can get this, and you can make a buck unless they do that first. We don't want any of that kind of stuff. It is not what this is about.

It is about full knowledge on everybody's part, no secret things in government. You don't apply and then we apply the secret procedure to it and you see what comes out of the black box. Everybody has to know all of the rules.

In setting up that in good standing -- and I've got some examples -- one video from Oregon where a lady has been involved in the legal process down there for a while -- that lays it out very well.

You go through certain criteria, you meet certain tests, and if you can meet any one of the tests, you're in good standing therefore. You're not subject to cancellation for non-use, and you keep -- you have access to that water. Then it can be shared in times when you don't need it rather than encouraging somebody to run it through the system just because.

We should probably do a little bit more work on that "in good standing" thing, and if there is a way of getting that to you, I think it would help you see how some of these tests would work, and we will try and do that.

I think we had a question there.

MR. ECKERT: Art Eckert, Red Deer River Basin, municipal. The question I have is one with regard to measuring. We talked about measuring. And we are being measured, and I keep saying from phone call to phone call, not that we have water because there is days when there's so much weed in the system that we get no water, but yet the measuring continues.

Two concerns: Number one, the measuring is not adequate and they don't make any allowance for the fact that we don't have the water during much of this period of time because there are instabilities in the system. So we really have a problem there.

MR. MCGEE: I assume for the purpose of your license the measuring is going to be taken from whatever point that your diversion is. If you're taking from some point on the river but you're having losses along your conveyance, that's not anybody else's fault on the system.

You should be measured at the point where you withdraw from the river where everybody else has access to it. If you have losses, that is up to you to deal with. Other people shouldn't have to deal with those losses.

MR. ECKERT: The other question that I have is regarding transfer -- you talked transfer of license. We're seeing transfer of water right, not water license. There is quite a difference.

MR. MCGEE: Water rights don't exist in Alberta. You won't find the word in the legislation. Nothing in our Act says anything about water rights.

They talk about acquiring allocations through a license, and they talk about statutory access to water for household use. But at no time do they mention water rights.

So, I know I'm getting a little bit picky here, but there aren't two things. You either have a license for an allocation or you have a statutory access for household use or you have an exemption under the

Act to access water for livestock, et cetera. There are other exemptions. Those are what you have.

Water rights are a broad term that people throw around saying -- which really means you have a license in some form

But you don't like that answer, so tell me what you really wanted.

MR. ECKERT: I don't quite follow you, because the irrigation district has the license. We don't have part of that license. We only have a privilege or we call it a water right.

So do we have a license. Jim, you help me out. Do we have a license? Did I have a license?

MR. WEBBER: He has a contract.

MR. ECKERT: Then that's okay.

MR. MCGEE: As a user within an irrigation district, you are no different than a household within a city; exactly the same thing. Well, not exactly, but it's pretty close to the same thing under The Water Act.

You buy a house, you move in, you turn the tap on. You don't go to the government and apply for a right to turn the tap on. You move in, you turn the tap on. You have just moved into somebody else's license who has a license to deliver for municipal purposes.

If you buy land in an irrigation district, you have just moved in, you turn on the water with the ditch rider because you have purchased a part of that entitlement.

Water co-operatives are the same way. They can sell a house, you move in, you turn it on. As long as you are within -- that's why I mentioned earlier, when you do this, think about where it came from. Where is the authority for that to go in there?

If you're at a water cooperative it's different than if you're an irrigation district or if you're taking it from a well. They're all different. So you need to focus on exactly what mechanism you're accessing that water from, okay?

MR. OHRN: One more question.

HOWARD HEFFLER: Howard Heffler with the Bow Advisory Council. If a license holder has water that he considers is in excess of his needs and he looks for a transfer, does he have to demonstrate that that water is in excess of his needs and, therefore, put himself at risk because of this use-it-or-lose-it principle?

MR. MCGEE: I would suggest not. You're exactly right. If you say, "I really don't need this water, but I want to transfer it," then you question your own good standing.

So it is probably the exact opposite. You would demonstrate that you do use it and you do need it, that you've made a conscious decision to move it somewhere else is what you're doing with the transfer.

HENRY BOSMAN: Henry Bosman, Oldman River. The little anecdote that you talked about transferring, before we've been talking about transfer of water rights or water between two licensees.

In the case that you were talking about, the first group had no water license. They simply made a promise to compensate the one party that did have a license.

Is this also contemplated in the legislation?

MR. MCGEE: Well, I carefully selected an example from another country as well as another jurisdiction so I wouldn't have to answer that.

But the way I see that working here is we would assume that the instream flow downstream of the storage was a water conservation license of some sort, and that would then lead you back to a deal between two licensees.

MR. OHRN: Could we cut it off here, Al? Is it a quick one? Al is the last question.

MR. KENNEDY: Al Kennedy with the Red Deer Basin. I would like to go back to your example of the guy in the Belly River with his 1891 federal license.

And I believe you used the term "no limits, no purpose, no conditions," or something to that effect. Is that close?

MR. MCGEE: The license that was issued then had a purpose, it was irrigation. It had no minimum flow conditions.

MR. KENNEDY: And no limits? Did I hear that?

MR. MCGEE: It had a maximum volume to it, yes.

MR. KENNEDY: Then I misunderstood you because I believe you referred to some old licenses without terms or conditions.

MR. MCGEE: Just in terms of instream flow.

MR. KENNEDY: Just in terms of instream flow?

MR. MCGEE: Just in terms of instream flow. Sorry if I wasn't clear on that.

MR. KENNEDY: No thoughts of correcting some of those oversights from the past?

MR. MCGEE: To somebody downstream who wants their water, it's an oversight. It's a Mel Foote. He has been holding on to that. He purchased the land in about 1950, and he paid a price for it that reflected what he believed to be the value of the water right.

He and thousands of other people who have exchanged land, certainly in the basins that I administer, have paid for their land based on the value of the water right that -- oops -- the water license that was attached to it because if you're on Willow Creek and you buy in 1920, you're going to have water all the time.

If you buy a piece of property that has a 1980 license on it, you will be shut off three out of four years. That's reflected in the price.

You will see it in the paper with water rights from -- the bank phones. The bank has sheets that they have people sign saying that they will not cancel the license without informing the bank. They will not sell off the water without informing the bank. I get them all the time.

People have already invested in their licenses. Now, some people would say, "Well, you got it for nothing, now you're going to sell it for something."

Virtually everybody will argue now that they paid for it because when they bought the land, that license came with it and they gave value to get that. So they have already capitalized the value of that water in purchasing the land.

So, to go to somebody like Mel Foote or his sons -- Mel died last Christmas -- to go to his sons and say, "You've got way too good a deal, you should give that up to somebody else," you're going to take us right back to 1984 when Mel was standing in the yard with that piece of paper, and said, "No government guy is going to take what I've got." And I have no intention of wrestling with their sons because they are both a lot bigger than me!

So rather than the government going in and saying, "You got too good a deal. You inherited much too good of a deal --" we don't do that with the land. We don't say, "Give it up." We might go in and buy it. The nature conservancy might go in and buy the land, but we don't make them give it up.

So we are not going to make them give up this water right. We've said in this Act that those licenses stay. But we can give him the opportunity to transfer it. We can give the opportunity to Trout Unlimited to make him a deal to give up some of that, then turn it over to the Crown license for the water conservation objective to be left in the river.

And that 1891 priority will then become a water conservation objective with the most senior right in the basin because somebody else decided it was valuable enough.
He could will it. He could decide: Had enough of this stuff. The kids aren't interested. I want my license to be transferred to the Crown's water conservation objective license. Presto: 2,000 acre feet, 1891 priority instream.

MR. BOSMAN: With a generous tax allowance.

MR. MCGEE: That's not my department.

MR. FRANCIS: Keith Francis, Oldman River.

Dave, is the water that is in our storage reservoirs licensed water or free water to be used for any purpose?

MR. MCGEE: If it's in a storage that has been licensed for it, it falls under the license that has been issued to that storage. If it is in a license in the Taber Irrigation District, then it belongs to the Taber Irrigation District who have taken it legally at a time when they were allowed, and you do with it as you will or as the license requires.

If it is in a Crown-owned storage, it falls under the license that was issued to the Crown.

And for the most part, the new ones are for multipurpose use, and they have operating plans that go along with them to say how that license is going to be used for multipurpose uses.

MR. FRANCIS: If it is in the St. Mary reservoir -- and I think Taber this year has some of their water in the St. Mary reservoir, then that is licensed to us?

MR. MCGEE: That is a very difficult, technical argument that could be made on both sides. We won't subject our friends here to the technical part of that.

The principle that we're working with here is your license has a point of diversion. When the water enters your point of diversion, it then falls under your license for you to do with as your license allows you to once it has entered that point of diversion.

The case you're talking about storage onstream, we'd have to work on how that was dealt with because it probably hasn't entered the point of diversion at that point yet. It would fall under the operating plan for that reservoir.

MR. FRANCIS: If there is water in the reservoir after the irrigation season, then water turned downstream out of the reservoir should only be what is flowing into the reservoir through the season, through the winter season, and not releasing stored water which is licensed to the irrigation districts.

MR. MCGEE: In my opinion, the water that stays in that onstream reservoir belongs to the licensee who is holding it. In the example that you are quoting, that would be the Crown in right of Alberta.

And we will talk about the rest outside without interfering with these people.

MR. BENNETT: Mark Bennett with the Bow. Just a concern, you just mentioned again about looking at specific reaches that may be particularly stressed, plus this morning there was mention of the fact that you were going to need the instream flow needs part in order to complete phase one.

But we were told that that won't be ready until the end of December and yet we're going to be asked to make decisions by the first of December where we probably need that information.

MR. OHRN: There will be a very nicely, professionally finished report by December, but we will have the raw information at the end of October. The raw information to the lay reader won't make a lot of sense. It has to be interpreted in some way for it to make sense.

What we are proposing to do is to use the same computer simulations that have been used to evaluate water availability, and you will see the results of that work as well, to demonstrate -- I am not exactly clear on the mechanics of this, but somehow we will deliver to you a meaningful product that is comprehendible as opposed to table after table of data.

MR. LLOYD: Duncan Lloyd, the Oldman.

Is this going to be the phase one, and then there is a phase two and then there is a phase three in the things? Or are we going to be disbanded as a Basin Advisory Committees after that?

I think there needs to be a little bit of understanding of what this whole process is about and time lines and what our committee's function is overall because I think, at least in our basin right now, there is confusion on exactly where we're going and what we're doing.

MR. OHRN: I think I can answer that. The answer is: I can see the Basin Advisory Committees having a definite, absolute role through phase one and phase two.

Actually, I forgot to mention in talking about your work, the third objective is to identify what kind of phases, what issues, what subjects need to be addressed in other phases of this plan.

Like, I could maybe sort of vaguely imagine a third phase that deals more specifically with water quality or storage options or something like this. That is all up in the air. That is for you to provide input.

I don't see us having a meeting specifically for that right now, but I'm sure that in just general conversation that that will come up during the various meetings. There will be ideas that you might express that we might feel are out of the scope of the first phase, but how we will capture that is in a possible future phase or possible new phase.

I guess, in my own mind, what I see happening here is these first two phases really focus on water quantity; the question of allocations on this giant plumbing system that this whole basin is essentially, and the fact that it has to deliver a certain amount of water to Saskatchewan under the master agreement for apportionment.

So that is like a big constraining factor right there. So all four sub-basins have to be managed or planned as a unit as far as that goes.

When you get into more advanced -- there will be local issues that are of allocations perhaps and certainly water quality. And we are well aware of the various groups that have water quality concerns in their individual basins.

That can occur, you know, in concert with or sort of under the umbrella of this overall hat.

But as we get past sort of getting the tools in place to address the overall allocation question, then the activity of this group in this basin over here doesn't have implications for what happened over in that basin necessarily.

So I am starting to see -- I am imagining that after the second phase is done, we might want to re-evaluate the role of the BACs or maybe they will continue to exist forever as some kind of river basin council. I don't know. That remains to be seen.

You can make recommendations on that in terms of the future -- of the organization of your future input into the basin.

MR. WATSON: I just want to add to that, Doug.

I think, just to be clear, we see specifically two very distinct phases, at least, in the development of the South Saskatchewan River Basin water management plant.

The first phase that we see now and at the end of December deals with the issue of limitation of water transfers. We have been asked by the Minister to have that first phase completed by the end of the calendar year so that he can seek Cabinet approval and have that ready to be implemented throughout our water systems by the next operating season.

That's why -- I know the deadlines are tight and I know there is some concern, but we are going to have materials available to you that will focus -- As you can tell from our presentation, we have done a lot of thinking about this. We think what you will see initially from us is the kind of questions that we have. I think there are maybe more questions that you raised; some that need to be addressed as part of the phase one, some that might perhaps fall outside of the scope of phase one and we will park them and deal with them in the second phase.

The second phase of the plan starts in the beginning of 2002, and it is finished at the end of 2002. That comes up with specific numerical water conservation objectives on a reach-by-reach basis, and that will allow us to determine how we're going to manage this whole South Saskatchewan River Basin in concert and meet our commitments to existing licenses to the instream requirements we want satisfied and our commitments to Saskatchewan, and so on. That is critical to allow us to manage the basin as a whole.

That is where our vision kind of becomes a little more cloudy. Those two phases are absolutely critical, and they will be done by the end of 2002. The Basin Advisory Committees are critical to that.

At that point, I think it becomes -- as the gentleman said over there, we shift more into a watershed protection sort of focus. What sorts of things do we need to do within our watersheds to continue to protect the resource, to continue to use it wisely? And I think it can be much more locally driven at that stage than necessarily basin wide.

So our vision is really clear on the first two phases. The subsequent phases, I think, can address a lot more community and local issues.

MR. LLOYD: I think that has helped a lot, at least for our group here, because I don't think we understood exactly where we were going and what we were trying to accomplish.

MR. OHRN: One of the mechanics of this I should point out is that this plan will be approved by Cabinet early next year, and it will exist as an approved water management plan.

And then the subsequent phases will also be approved and incorporated into the plan, just like hooking railcars together to make a train over a period of time.

Question?

MR. HAMMOND: Doug, according to this schedule here, you have probably as little as two meetings and maybe as many as four meetings to finalize a draft of the plan by Friday, December the 7th. Is that fairly close?

MR. OHRN: That is correct.

MR. HAMMOND: And then following that, I see early January 2002 there is a plan to take the draft to the general public.

MR. OHRN: That is right.

MR. HAMMOND: What is your vision of how that public consultation process will unfold? How many meetings will we have, and how much will we involve the public in that process? -- because some of us are, you know, representing a half a dozen, maybe ten different stakeholders in our particular sector.

I think we need time to get that information out there or maybe not, depending on how important you see this process as being.

MR. OHRN: The idea for the general public consultation is we feel almost duty bound to do that because there is always somebody out there that is not affiliated or didn't hear about it -- or I guess it is mostly a question of affiliation, people that aren't joiners or are not necessarily involved in a specific organized group that would find a way to bring it through the Basin Advisory Committees.

The thinking right now is that the teams in each basin would organize probably a couple or three meetings in the major towns or communities within that basin. Like in the Oldman, for example, I would certainly picture Lethbridge, obviously; probably, you know, somewhere in the west Pincher Creek or Fort Macleod; or somewhere in the east, Taber maybe -- something like that; you know, a reasonably large centre that is sort of geographically centered to where people live.

We will work that out, but you can expect maybe two or three meetings probably ideally where we would get that final bit of input.

Quite frankly, I hope there isn't any input in that phase because you folks would have captured it all and so all of the different kinds of viewpoints would have been at least considered satisfactorily.

MR. HAMMOND: Just one more thing, and I've already raised this: I would hope that, as bureaucrats, you people made it very clear to the Minister that that perhaps was an unreasonable time line.

And I accept and appreciate the pressure you're under. I think you need to recognize that the stakeholders around these tables here have a vested interest in that as well and don't need to be or shouldn't be rushed into making decisions which are going to affect the people of this province for many years to come.

MR. WATSON: Maybe I can respond to that. I think the way our discussions have gone, and I think I want to remind everybody that The Water Act today provides for water transfers. The Water Act today provides for the use of these tools.

What it hasn't done is allowed us to implement it, and so there were specific provisions put into the legislation that says they can only be implemented in this way by an order of Cabinet.

Part of the Act says that an order of Cabinet or an approved water management plan would lay out kind of the considerations, the criteria, under which our decision-makers would consider a transfer.

We have a really strong focus in terms of the questions we've got to ask ourselves, so I think our feeling was, in the discussions that we had with our Minister, that the first phase is pretty focused and a little more mechanical than the second phase, which is where we're trying to come up with these water conservation objectives that balance a whole bunch of different needs.

So I think it was our sense that we could accomplish the first phase within the time frame we've got because we already know that our government supports the use of transfers. They have put it in the legislation.

It is now just a question of how will our administrators -- what criteria do they use? It is more of a mechanical sort of thing.

The second phase of the plan we recognize is going to be much more complicated, complex and involve a lot more discussion and debate of how do you have balance and what is the specific objective that we are going to land on for this river reach.

That, I think, is where we see much more public involvement, and I think that's where your concerns might be coming from. We really recognize that, so the longer time frame there.

This first phase we think -- this year has shown us that we need these things, and so we see it -- being able to accomplish it within these time frames because it is really an implementation question.

It is not a -- it is not really a value -- as much a value sort of thing as the second phase will be where we are trying to come up with specific management objectives on a river reach basis, and that is where a lot more discussion and debate needs to occur.

MR. OHRN: If I'm walking around, it is not because I'm trying to be a Phil Donahue or somebody. I'm just really hard of hearing so I have to be close to hear the question.

MR. HEFFLER: Howard Heffler of the Bow Advisory Council. Is there any plan to get the four Basin Advisory Councils together again to have any sort of wrap-up of their individual findings?

MR. OHRN: Did you hear the question back there?

UNIDENTIFIED SPEAKER: Something about getting together.

MR. OHRN: Right. Are there any plans for the four BACs to meet again? The answer is "no". We don't have any plans for that right now. It could be considered.

MR. PENTNEY: Not in this phase. Perhaps in the second phase.

MR. OHRN: Oh, yeah, that's right. In this phase, no plans right now. It could be considered if you think it is really important.

Definitely in the second phase we will have to. I mean for the second phase, there will be others terms of reference written that is more purpose built for the work in that phase, just like the document you see.

The one you see that is in your package is both the terms of reference for the first phase but also to give you a pretty good sense of what the multi -- additional phases would be, at least as we understand them at this point in time.

MR. WATSON: I think Doug also made the comment, though, that as the materials are coming in from the individual BACs, they will be consolidated.

We're actually going to be working behind the scenes kind of building a plan as you're meeting and as you're providing the input, and that information we can share back to all of the Basin Advisory Committees.

You will see kind of how this has been evolving and what the discussion has been in the other areas. I think he kind of indicated that that consolidation would occur and will be fed back to all of the groups, so you will see how the product is coming together.

MR. OHRN: Colin...?

MR. KURE: Colin here with the Red Deer River.

I see that we don't have anybody from the EUB involved in this, and I know in the upper reaches of the Red Deer system, injection is one of the largest withdrawals from the system. I don't know if that's an oversight or a poor question or what, but it may involve transfers.

If these withdrawals are capped, these oil producers will be leaning on the Act guys for their licenses.

MR. OHRN: I don't know about leaning but certainly offering maybe. The short answer I can think of to respond to that issue is that on the Red Deer BAC, you would have and must have an industry representative, or two maybe.

And the expectation of the way these BACs are set up is that as an industry representative, that person is not sitting there just representing themselves. They are not representing just their industry. They are expected to reach out to other industries that are standing behind them, so to speak, and get that kind of comment.

And maybe if that has been identified, that rep should be encouraged to get out there and make those contacts and government staff could help them do that, to bring those concerns and issues, if there are any, to the table. That's the first thing.

The BACs are not necessarily set up with one person at the table for every possible interest, and we avoided that because the tables would just become so big.

So I would really encourage, if that's the issue in Red Deer, for arrangements be made to contact people with that kind of water use if they feel there is an interest that they want to have represented during the preparation of this plan.

MR. SHAW: Doug, if I can just mention -- Doug Shaw of Red Deer Basin. I am really impressed with the level of the commitment and the information that has come forward today, just an awful lot of background information.

I guess I just wish a lot more of us had more time to digest this stuff and have feedback. For example, for myself, representing anywhere between 25 on 30 municipalities, to expect me to answer on behalf of the municipalities within two weeks -- as this gentleman is suggesting, the time frame is pretty tight -- is pretty difficult.

I recognize that the department is undermanned, underfunded, et cetera, but I am also somewhat frustrated that we have been working for a year, and we still don't really have hard figures to put in this context.

What are the water allocations? What is the water availability? What is the apportionment to Saskatchewan? What are the IFN users?

We are here to deal with, in the next couple of weeks, the concept of transfers and we don't even have the context here of what we're dealing with. The Red Deer Basin is part of the problem. It is part of the solution, but there are other parts of the basin that are much bigger problems, and we want to know what our portion is, how we can work with that.

But you know, as well as I do, that one of our major issues is apportionment, and we are going to keep coming back to this. We need that context. We need that context as a basin so we can give you feedback.

MR. OHRN: If you can identify anything specific that you really feel is missing, let us know. We have -- we are going to provide -- industry needs that information. We are going to provide the results of computer modelling on water availability. That will give you some context, and I would suggest close to enough to get to this first phase.

In terms of the schedule, I mean, I like skiing and white water kayaking. To me, this is going to be a double diamond run, okay? -- because this whole process here is going to be a (inaudible) or a white-water run. But we'll get through it.

MR. SHAW: I guess what we're anticipating is that the IFN, together with the stressed reaches -- water availability in all basins, water allocations with all basins, water apportionment and projections for your irrigation needs and non-irrigation needs, we need to know that kind of stuff.

I'm not saying we are going to get it in the next month, but we would expect to get it, and had we had it, we could put this all in context already to deal with this transfer issue which we recognize is pretty hard to indicate in a year how much rainfall and snowfall you are going to get.

But some of this information with respect to the context should be available. I'm not faulting you folks, don't take me wrong. You are underfunded, you are undermanned but we need this information.

Red Deer Basin Advisory Committee

Deliberations

South Saskatchewan River Basin
Water Management Review – Phase #1
Red Deer Basin Advisory Committee Meeting
Draft Meeting Minutes

Location: North Hill Inn, 7150-50 Ave., Red Deer, AB
Time and Date: 9:00 AM – 3:00 PM, Friday, November 23, 2001
Meeting Facilitator: Terry Krause

Attendees:

Vincent Fabian	County of Newell	Arthur Eckert	County of Newell
John Rusling	Mountain View County	Maurice Lewis	Red Deer & Kneehill Counties
Colin Kure	AB. Fish & Game Assoc.	Doug Thrussell	Alberta Environment
Art Grenville	Starland County	Peter Stevens	Alberta Environment
Ian McFarlane	Ducks Unlimited	Al Kennedy	Nova Chemicals
Dug Major	Special Areas Board	Bill Shaw	PCPS
Milton Elliot	Clear Water County	Margaret Coutts	Red Deer River
Naturalists			
Jill Dyck	AB. Fish & Game		

Guests:

Larry Williams	Alberta Environment
Peter Pui	Alberta Environment

9:00 AM Introductions

- Terry Krause Introduces Guests:
  - Larry Williams, Approvals Manager, Parkland Region, Alberta Environment
  - Peter Pui, Surface Water Administrative Engineer, Parkland Region, Alberta Environment
- The Basin Advisory Committee members introduce themselves

9:10 AM Review of Proposed Agendas

- The agenda for today's meeting was approved with two additional items:
  - a discussion on the "use it or lose it" concept.
  - Placing moratoria on over/highly allocated basins versus continuing to issue high risk junior licences

9:15 AM Updates

- RDR BAC members were informed of the other basin's BAC progress
  - ACTION: Doug Thrussell to provide copies of other BAC minutes as they become available
- A FAQ sheet was handed out that contained department responses to BAC members questions
  - ACTION: Doug Thrussell to provide copies of future updated FAQ's as they become available
- The RDR listserve is up and running. Members were given the following address to access on a web browser to subscribe to the RDR Listserver:
  http://eid01.eidnet.org/guest/RemoteListSummary/rdrbac
- The BAC members were informed that the Instream Needs (IN) flow determination was complete. This information will be made available to the BAC members in Phase II of the SSRB- Water Management Plan

9:50 AM Water Allocation Transfers: Workbook Question #1

- Hard copies of Peter Pui's presentation, "*Introduction to Water Licencing and Water Allocation Transfers*" in a two-slide per page format were handed out.
  - Terry Krause reviewed the previous meetings work results
  - Matters or factors (not dealt with in Meeting #1) for consideration in making a decision on a transfer of an allocation of water under a license were described, discussed and decisions as to their recommendation were made.
    - See workbook discussion synopsis below

12:30 PM Workbook Question #2 – Holdbacks

- Terry Krause reviewed the question of holdbacks and their context in water allocation transfers
- The RDR BAC had several questions (listed below) about transfers and the ability to return excess holdbacks to transferees.
- The BAC achieved consensus on the following statement;
  - Holdback 10% of a water allocation transfer where and when needed to meet IN/WCO deficits on impacted reaches and on upstream reaches until the deficit is addressed.
  - If a WCO has not been determined, but the reach(es) are identified as under stress hold back the water, do not miss the opportunity to hold water back. The government should return any holdbacks that are in excess to the needs of the WCO. Alternatively, the government should allow a transfer, but make it subject to a holdback, pending the determination of the WCO's
  - The BAC was unanimous in wanting a transparent equitable process in setting WCO's (as a portion of the IN flow) across the SSRB.

2:00 PM Workbook Question #3 – Evaluation of Transfers

- Terry Krause reviewed the question of evaluating transfers and its context
- The RDR BAC achieved consensus on the following;
  - Track all the factors considered and accepted under question #1 (the table of matters and factors) and
  - Track utilization of transferred water to monitor for water speculation

2:30 PM Moratoria Question

- Terry Krause reviewed the following question (posed to all BACs) and its context within Phase I of the SSRB Water Management Plan

Should Alberta Environment stop issuing new licences (i.e. impose moratoria) in highly allocated basins?

Or, conversely:

Should Alberta Environment continue to issue new licences in highly allocated basins even though these licenses will be high risk?

- The BAC wanted to have further information before they could discuss this item fully and answer the question, but several general statements were brought up.
  - If high risk licences were issued the BAC would like to see greater emphasis on enforcement and monitoring to ensure compliance.
  - More licences means increased risk to current licence holders.
  - The government should not encourage high risk ventures especially if it means providing assistance later on.

- The BAC wanted to know what Alberta Environment defines as a "high risk licence" and a "highly allocated basin".

2:40 PM Use It or Lose It Discussion

- Terry Krause reviewed the question what "use it or lose it " entailed and its

Workbook Discussion Synopsis

Must a Matter or Factor be Considered When Making a Decision on an Application for Transfer of an Allocation Under Licence?

Matter or Factors Discussed	**Yes**	**Different Views**	**No**	**Requires further discussion of specifics**
Rate (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	•			
Timing (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	•			
Location	•			
Change in water quality	•			
Existing, potential or cumulative effects on the aquatic environment (including riparian areas)	•			
Existing, potential or cumulative effects on any applicable water conservation objective	•			
Existing, potential or cumulative hydraulic, hydrological, and hydrogeological effects (including the linkages between surface and ground water)	•			
Existing, potential or cumulative effects on household users, traditional agriculture users and other licensees	•			
Effects on public safety (including fire protection and effluent dilution)	•			
Other matters that the director considers relevant	•			•
Whether or not the transferred water allocation is "excess" through lack of projected population/economic growth, plant closure/downsizing, or conservation measures	•			•
Water conservation (including irrigation rehabilitation)				•
Monitoring and enforcement: How do you make sure the water gets to the person who bought the allocation?			•	•
Others??				
Others??				
Others??				
Other BAC Matters & Factors				
No net loss of environmental Quality				
Wildlife Impacts				

- **General Discussion/Parked Items for further discussion**: Many ideas and issues were raised by BAC members and are summarized below (note: these were only expressed by one or several individuals; the BAC has neither endorsed, nor rejected these statements):

    - Although water transfers will address short-mid term needs we should be cognizant of the necessity for longer-term solutions as we move through this process.
    - The Department should know, or they should determine, what level of water needs/demands will trigger building of water resource infrastructure (i.e., look at longer-term supply issues).
    - There is a philosophical objection to the commodification of the water resource where the richest project proponents can get water, but equally deserving people/projects cannot afford it.

relationship to a licence in good standing

- RDR BAC members agreed with it in principle and discussed what a reasonable prospect for use of the water allocation meant versus an "excess allocation", but they stressed that "use it or lose it" must be fairly applied.

2:50 PM Next Meeting and Follow –Up

- It was agreed that there would be one more BAC meeting to review and finalize the BAC's submission for Phase I of the SSRB: Water Management Plan and to provide recommendations for future phases.
  - November 30th @ 9:00 AM. Best Western Jurassic Inn, Drumheller

3:00 PM Meeting Adjourned

- The Province should look at the different uses of water and prioritize them.
- There was discussion of reserving allocations of water for agricultural purposes to avoid sterilization of tracts of agricultural land due to a lack of available allocable water.
- The Government should stay out of water allocation transfers (i.e., providing funding for them).
- There should not be uncontrolled market forces driving water allocation transfer costs.
- The Department should revisit public notification requirements in light of water allocation transfers. Advertising should be over the entire SSRB if the transfer(s) are significant enough.
- The department should ensure that a licence holder does not lose water under the "use it or lose it principal.
- There should be a mechanism in place to safeguard various sector's water needs.
- Storage options and inter-basin transfers need to be considered to increase water supply and water security within the SSRB.
- Irrigation expansion should not be on the basis of "conserved" water, but on making "new" water available through on-stream storage or inter-basin transfer.
-
- **Other Questions for Follow –Up:**
- What is a licence in "good standing"?
- What are the NAFTA implications for water allocation transfers?
- Transfers between sub-basins, are they possible? Will they be permitted?
- How much of a licence's total volume can you transfer if the historical use has been less than the total volume?
- How much of a licence's total volume can you transfer if the net diversion has been much less than the gross diversion?
- What are the FOIP issues surrounding licences and transfers (e.g., what information is available for public scrutiny?)
- Can a Conservation Organization hold a licence for meeting an IN or WCO flow? Why or why not?

South Saskatchewan River Basin
Water Management Review – Phase #1
Red Deer Basin Advisory Committee Meeting
Draft Meeting Minutes

Location: Jurassic Inn, Drumheller, AB
Time and Date: 9:00 AM – 3:00 PM, Friday, November 30, 2001
Meeting Facilitator: Terry Krause

Attendees:
Vincent Fabian County of Newell John Rusling Mountain View
County Maurice Lewis Red Deer & Kneehill Counties Colin Kure AB.
Fish & Game
Doug Thrussell Alberta Environment Art Grenville Starland
County
Ian McFarlane Ducks Unlimited Al Kennedy Nova
Chemicals
Dug Major Special Areas Board Jill Dyck AB. Fish &
Game

Guest:
Larry Williams Alberta Environment

9:00 AM Introductions
- Terry Krause Introduces Guests:
    - Larry Williams, Approvals Manager, Parkland Region, Alberta Environment

9:05 AM Review of Proposed Agenda
- 1/. Update of Phase I of South Saskatchewan River Basin: Water Management Plan (SSRB: WMP)
- 2/. Review and finalize RDR BAC's Phase I submission
- 3/. Future Phases recommendations
    - BAC accepted the Agenda as is

9:15 AM Updates
- RDR BAC members were informed of the other basin's BAC progress
- Handouts of the other BAC's meeting minutes were passed out
    - ACTION: Doug Thrussell to provide copies of other BAC minutes as they become available
- Doug Ohrn's, (Project Co-ordinator of the SSRB: WMP) unofficial responses to the questions regarding Moratoria were presented to the BAC.
    - ACTION: Doug Thrussell to provide copies of official Department responses to moratoria questions, and other questions, the RDR BAC when available

9:40 AM Review/Final Edit of RDR BAC Submission (
- RDR BAC reviewed the complete document making changes on Table of matters and factors
- Statements were reviewed for wording and discussion as to whether they should be presented as consensus

- See attached submission for first draft of the submission
  - ACTION: Terry Krause and Doug Thrussell to finalize the submission and submit to BAC and Doug Ohrn for inclusion in the Phase I SSRB Management Plan.
  - Note: the attached submission is the BAC's working copy

2:30 PM Future Phases Recommendations

- The RDR BAC agreed on the following items as recommended items to be included in future phases of the SSRB: WMP
  - The Province should look at and discuss with the general public holdbacks of greater than 10% in highly allocated with compensation at current market value.
  - The Province should explore all options to increase available/useable water within the SSRB. This should include increased security of supply for current users/uses

2:50 PM The next steps in Phase II and the final steps in Phase I were explained. The preliminary schedule of Public Open Houses to gather public input on Phase I were discussed.

- Several BAC members asked that a third Open House be held in January, ideally in Bindloss.
  - ACTION: Doug Thrussell to co-ordinate the request for a third Open House in the Red Deer basin.
  - ACTION: Dug Major to contact Doug Ohrn and present the BAC's reasons for this request

3:00 PM Meeting Adjourned

South Saskatchewan River Basin
Water Management Plan: Phase I

The Red Deer River Basin Advisory Committee's
Submission to Alberta Environment

December 3, 2001

Introduction

This is the submission of the Red Deer River Basin Advisory Committee (RDR BAC) regarding the first phase of the multi-phase water management planning process for the South Saskatchewan River Basin (SSRB).

Background

As part of Phase I, the four Basin Advisory Committees involved in the SSRB Water Management Review were asked to provide advice to Alberta Environment (AENV) for its review of applications for water allocation transfers within the SSRB[6]. To help the BACs develop their ideas and views, a workbook was created that covered the main issues related to water allocation transfers. The questions that the RDR BAC answered in regards to this were:

1) *"What matters or factors should be included in the South Saskatchewan River Basin Water Management Plan for consideration in making a decision on a transfer of an allocation of water under a licence?"*

2) *"What factors should be included when considering the withholding of water to protect the aquatic environment or implement a water conservation objective?*
    a. *Only withhold water for reaches of rivers that are currently stressed.*
    b. *Withhold water for all reaches of rivers.*
    c. *Other*

   "Should a fixed percentage of water be withheld or should the percentage be left to the discretion of Alberta Environment?"

3) *"What matters or factors should Alberta Environment be tracking concerning water transfers?"*

---

[6] See the Basin Advisory Committees' Phase I Terms of Reference for more detail on their mandate and scope.

Results

1.0 Water Allocation Transfers - Workbook Question #1

"What matters or factors should be included in the South Saskatchewan River Basin Water Management Plan for consideration in making a decision on a transfer of an allocation of water under a licence?"

Workbook Discussion Synopsis

Must a matter or factor be considered when making a decision on an application for transfer of an allocation under licence?

Matter or Factors Discussed		**Yes**	**No**
1	Rate (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	●	
2	Timing (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	●	
3	Location	●	
4	Change in water quality due to assimilative capacity issues (consider quality of return flows that are not regulated under AEPEA)	●	
5	Existing, potential or cumulative effects on the aquatic environment (including riparian areas)	●	
6	Existing, potential or cumulative effects on any applicable water conservation objective	●	
7	Existing, potential or cumulative hydraulic, hydrological, and hydrogeological effects (including the linkages between surface and ground water)	●	
8	Existing, potential or cumulative effects on household users, traditional agriculture users and other licensees	●	
9	Effects on public health	●	
10	Effects on public safety	●	
11	Other matters that the Director considers relevant	●	
12	Whether or not the transferred water allocation is determined to be "excess".		●
13	That the transferee demonstrate efficient use of water (i.e. conservation)	●	
14	Impact on Apportionment (i.e. transfers must not result in the Red Deer having to increase its contribution to apportionment)	●	

2.0 Holdbacks - Workbook Question #2

"What factors should be included when considering the withholding of water to protect the aquatic environment or implement a water conservation objective?

a. Only withhold water for reaches of rivers that are currently stressed.

b. Withhold water for all reaches of rivers.

c. Other

"Should a fixed percentage of water be withheld or should the percentage be left to the discretion of Alberta Environment?"

Until WCOs are Determined:

AENV should not miss an opportunity to withhold a full 10% of a water allocation transfer to meet any anticipated IN/WCO deficits. Once WCOs and INs are established in Phase II, AENV should have a mechanism to return to the transferee any withheld water that, in hindsight, was not a necessary holdback.

If AENV cannot return "excess" holdbacks under the *Water Act*, consider approving a transfer with a "subject to" clause that may result in the withholding of up to 10% to meet an IN/WCO once established (similar to the current practice of issuing water licences in the Red Deer basin where they are subject to a yet to be determined instream objective.)

Location of Holdbacks Within the Basin:

Holdbacks should occur on the identified river reach with an IN/WCO deficit *and* anywhere upstream that would also reduce a downstream deficit. The general principle to follow is to exercise the holdback option when and where it would result in the reduction of an existing IN/WCO deficit.

Further Consideration :

Explore the possibility of the province holding back more than 10% with compensation at market value (when significant IN/WCO deficits need addressing).

3.0 Transfer Tracking - Workbook Question #3

"What matters or factors should Alberta Environment be tracking concerning water transfers?"

- Track utilization of water allocations to monitor for any speculation.

- Track the matters and factors that were deemed to be important in the Director's original consideration of the transfer (see matters and factors listed in table for Workbook Question #1).

4.0 General Statements of Concern for Further Consideration

Many additional ideas and issues were raised by BAC members and these are summarized below. The issues are separated into categories of consensus and non-consensus.

Consensus Items:

1) Although water transfers will address some short to mid-term needs, we should be cognizant of the necessity for longer-term solutions as we move through this process (i.e. do not rely on transfers to solve all the problems associated with the effective allocation of water).

2) The Red Deer River BAC recognizes that there is a shortage of available water in the South Saskatchewan River basin. The Province is strongly encouraged to explore all options to increase water supply/security in the basin (this could include on or off-stream storage and inter-basin transfers but there was no consensus on solutions).

3) The Department should revisit the public notification requirements in light of water allocation transfers. Advertising should be over the entire SSRB if a particular transfer(s) is significant enough (also apply to new licence applications).

4) The department should ensure that a licence holder does not unfairly or unjustly lose water under the "use it or lose it" principle (i.e. don't take away market incentives that encourage conservation).

5) There is recognition of a concern for the potential impact to the agricultural industry through the transfer of licences.

6) The department should ensure equity between the sub-basins with respect to the setting of WCOs as a portion of INs (i.e. no sub-basin should be able to apply different (lower) instream standards to gain an economic advantage over another basin that strives to protect the aquatic environment to a greater degree.)

Non-Consensus Items:

1) There is some fundamental philosophical objection to the commodification of the water resource where the wealthiest project proponents can get water while equally deserving people/projects cannot afford it.

   As a result, the Province should get involved in the evaluation of different uses of water and prioritize them to offset unfettered market forces when not in the interest of the "public good".

2) Uncontrolled market forces should not be the sole determinant of the cost of water allocation transfers.

5.0 Other Questions for Follow-Up

- What is a licence in "good standing"?

- What are the NAFTA implications for water allocation transfers?
- Transfers between sub-basins, are they possible? Will they be permitted?
- Can a conservation organization hold a licence for contributing to an IN or WCO flow?

6.0 Other

Should Alberta Environment stop issuing new licences (i.e. impose moratoria) in highly allocated basins?

or conversely

Should Alberta Environment continue to issue new licences in highly allocated basins even though these licenses will be high risk?

- The BAC would like more background information on the questions and why they are being asked.
- What exactly is meant by a "highly allocated basin"?
- Don't increase the risk for current licences by issuing unlimited high risk licences.
- Do not encourage high risk ventures by giving high risk licences (avoid situations of government bail out).
- If moratorium is used, need to define the cut-off point (e.g. a 1:10 or 1:20 year risk factor?)
- No new licences should diminish a basin's capacity to meet its 50% apportionment allocation (i.e. each sub-basin should meet its 50% share to apportionment).

Phase II

Central to Phase II will be the setting of WCOs for the four reaches of the Red Deer River. This will involve an analysis of modeling results, public participation, and the development of a BAC recommendation report. The BAC will receive technical advice and guidance from Alberta Environment with respect to the possible flexibility and/or limitations in setting WCOs.

SSRB policy issues (e.g. apportionment sharing, consistency in water management decisions etc.) will also be dealt with in addition to long-term supply issues.

Bow Basin Advisory Committee

Deliberations

South Saskatchewan River Basin
Water Management Planning – Phase #1
Bow Basin Advisory Committee Meeting
Approved Meeting Notes

Location: Trans Alta Utilities, 110 - 12 Avenue SW, Calgary, AB
Time and Date: 6:00 PM – 10:00 PM, Wednesday October 17, 2001

Attendees

Bob Morrison
Mark Bennett
Ken Stiles
Howard Heffler
Sarah Hamza
Richard Phillips
Jim Webber
Rob Wolfe
Steve Meadows
Neil Hollands
Bruce Stewart-Smith
Bert Van Duin
Tony Starlight
Roger Drury
Norm Kent
Scott Stoklosar
David Hill
Saba Gnanakumar
Mona Keffer
Gary Kindrat
Tish Kilburn
Judy Stewart

1. Introductions

- Members introduced themselves.

2. Review of Agenda

- No changes proposed.

3. Operating Procedures

- **Decision:** Agreed that Bob Morrison will act as the Facilitator. No chairperson is needed at this time.
- **Understanding:** All members will report to and represent their various sectors.
- **Special Requests:** If requested, Bob indicated that some administrative support could be considered on a case by case basis to assist with information distribution.
- **Member Selection:** Mark indicated there had been an open invitation to participate and Bow Basin Advisory Committee (BAC) members were accepted on a first come basis; that the irrigation sector is the only anomaly with three sector representatives; and that no individuals requesting to sit on the BAC were turned down. A discussion followed on the involvement of the City of Calgary. It was noted that the City of Calgary is on the Technical Committee; they have been informed throughout the process; and they have not come forward to this point (other than their on-going involvement with the Bow River Basin Council (BRBC)). Bob noted that additional public involvement will be solicited in early 2002 as per the South Saskatchewan River Basin Water Management Plan Terms of Reference. In addition, meeting notes and the workbook can be forwarded to BRBC members who wish to take a more active role. Mark added that while it is pretty self-evident which BAC category most Council members would fit in, there may be a few where it isn't as clear. For example, non-profit/academia areas will need to choose which sector they wish to work through.

- **List Server:** Dave offered BAC members the opportunity to use the Eastern Irrigation District (EID) list server to assist with the distribution of information. A discussion followed.
- **Tasks:** Dave will activate the list server based on the latest e-mail list. Norm Kent should be listed as northco@cadvision.com. Scott Stoklosar will join Matt Kennedy and should be listed as sstoklos@jaqueswhitford.com. Mark has agreed to act as moderator for the list server. Mark will prepare guidelines for use (e.g., members should not criticize each other, etc.) and distribute to BAC members as part of the first distribution. Mark will advertise the list server in the next newsletter and add a similar message to the BRBC website. Mark indicated that faxing to BRBC members who do not have e-mail is not an option due to manpower concerns. Bob added that advertisements might be used in early 2002 for the proposed open houses. Mark agreed to create a BAC member phone list to assist BRBC members without e-mail or web access. Mark agreed to one mail-out to let those who do not have e-mails know what is going on.

- **Decision:** All agreed that the above process would be acceptable.

4. Introduction to Water Allocation Transfers

- **General Discussion:** Bob provided background on water allocation transfers. A handout was provided. Questions and comments were interspersed throughout the presentation. Bob noted that temporary diversion (less than one year), assignments and water sharing amongst licenses can occur. It was clarified that a transfer is a contract between two parties subject to approval by the Director. The subject of Freedom of Information and Privacy (FOIP) was raised with the question of how much information will be made available to the general public.

- **Questions for Follow-Up:**
  - Are copies of licences available to the public?;
  - Would transfer agreements be available to the public or would they be confidential?;
  - What specifically is being transferred in an allocation?;
  - If a licensee saves water through conservation will the licensee lose the "saved" part of the allocation under the "use it or lose it" principle?;
  - How will a licence to implement a water conservation objective work? How will withheld allocations with different priorities, rates, etc. be incorporated into that kind of licence?;
  - Can a cash payment be made instead of withholding water from a transfer?
  - What happens to the rights of traditional agriculture users if they miss the deadline for registration?;
  - When a license is issued on public land, who owns the license, the Crown or the leasee?;
  - Can a transfer occur involving an unwilling seller?.

- **Issues Raised:** How do you know what you are buying if the withholding percentage is unknown?

- **General Discussion:** The discussion moved to matters and factors pertaining to transfers. Questions on the accuracy of records for small users was raised and how return flows come into the equation. Bob indicated that he believed the 10% holdback (or whatever number is decided) will be placed in one larger license (i.e., added to a water conservation licence) and that the buyer is actually paying for the holdback as part of the transfer. One member asked if the government could then sell the holdback if it was not required. It was noted that a gift to the crown could be provided if one wished to provide more for the instream environment. One member expressed concerns that for "some reaches", small gains may not help if the stream is severely stressed (i.e., will it be worthwhile to withhold water for reaches where nothing can be done to help the aquatic environment in the reach?). Concerns were expressed that this whole process may become a "paper nightmare" (i.e., difficult to administer).

- **Question for Follow-Up:**
  - Can water withheld from a transfer be re-sold or reallocated to a water use (not instream)? Does section 83(3) of the *Water Act* mean that a withheld allocation can be re-allocated to a withdrawal

use? [Editor's Note: Although the topic was touched on during the meeting, the actual reference to section 83(3) was raised during the break.] ;

  - What happens if more water is withheld than is needed to protect the aquatic environment or implement a WCO?;
  - Can a "gift" be made to the Crown to withhold more than 10% of a transfer?;
  - What does "use it or lose it" mean? What is a licence in good standing?;
  - Can a transfer be arranged where the transfer is temporarily suspended, e.g., where the transfer is in effect during most years, but the allocation reverts back to the original licensee during a dry year?

- **General Discussion:** A brief discussion followed on what is actually being transferred (e.g., rights versus access…). Bob clarified that we are talking about allocations.

- **Scenario:** To initiate the discussion, Bob proposed a scenario where TransAlta would like to transfer water to EID. This was the catalyst for an intensive discussion on matters and factors affecting transfers.

- **Question for Follow-Up:**
  - Are TransAlta's licences – with no maximum allocation – eligible for transfer?

5. Workbook Discussion Synopsis

Must a Matter or Factor be Considered When Making a Decision on an Application for Transfer of an Allocation Under Licence?			
Matter or Factors Discussed	**Yes**	**Different Views**	**No**
Rate (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	•		
Timing (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	•		
Location	•		
Change in water quality	•		
Existing, potential or cumulative effects on the aquatic environment (including riparian areas)	•		
Existing, potential or cumulative effects on any applicable water conservation objective	•		
Existing, potential or cumulative hydraulic, hydrological, and hydrogeological effects (including the linkages between surface and ground water)	•		
Existing, potential or cumulative effects on household users, traditional agriculture users and other licensees	•		
Effects on public safety (including fire protection and effluent dilution)	•		
Other matters that the director considers relevant			•
Not allowing those with "excess" allocation (i.e., allocation acquired for future needs) to transfer their excess allocation		•	
Water conservation (including irrigation rehabilitation)		•	
Monitoring and enforcement: How do you make sure the water gets to the person who bought the allocation? Agreed that monitoring and enforcement should be sufficient to allow transfers to be done in a sustainable fashion. Differing views on whether or not that level of monitoring and enforcement must be in place before transfers are allowed.		•	
Potential Matters or Factors Raised			
Apportionment with Saskatchewan			
Purpose			
Speculation in water allocations			
Security of water supply			
Is there enough data available?			
How far the allocation will be separated from the original land or undertaking			
Evaporation and other losses: How to account for change in losses due to			

change in location?			
Changes in what the "public good" means			
Guidelines for the water withheld for protecting the aquatic environment or implementing a WCO			
Is it actually possible to use a licence to implement a water conservation objective?			
Suspension of a transfer (example: where the transfer is in effect during most years, but the allocation reverts back to the original licensee during a dry year)			
Licences with no maximum allocation (e.g., TransAlta)			
Giving something back to nature, in particular, providing money to make that happen			

- **General Discussion:** A discussion evolved on selling water with regard to making money versus providing a service. No conclusions were reached. One member noted that purpose may have significant implications on water quality. It was clarified that municipalities charge for distribution – not water. A discussion followed on public good and excess water set-aside for future growth. One member stressed that we should not get caught up in pricing of water; there are other things equally or more important that need to be considered.

- **Task:** Dave will place a question on the list server on "matters or factors to be considered on how to deal with excess water set aside for future growth"? Rob will compile comments and develop a summary statement (or statements) for further discussion.

- **General Discussion:** One member suggested that monitoring and enforcement should overlay the entire process. Another member added that the system is already in place and it works. As with any transaction, "caveat emptor" (buyer beware) was mentioned for those wishing to purchase a new transfer. It was suggested that it all comes down to the level of confidence in the existing levels of enforcement and monitoring.

- **Question for Follow –Up:**
  - When transferred water is left in a stream or put into a stream, what is its legal status? Is it someone's property or is it up for grabs by other licensees?

- **Task:** Mark will place a generic question on the list server related to enforcement and monitoring? [Ed. Note: Mark graciously volunteered the day after the meeting when it was noted that no clear individual had volunteered at the meeting.] Rob will compile comments and develop a summary statement (or statements) for further discussion.

- **General Discussion:** Bob indicated that, at this time, Alberta Environment does not expect that ground water allocations will be transferable because there is insufficient information to define the size, limits, and yield of aquifers. It was agreed that the linkage between ground and surface water should be considered. One member asked if you take something from nature, what will you give back; in other words, will the government be willing to spend money to put water back in the system? It was suggested that different cultural values could be one component of the matters and factors. It was noted that all of the matters and factors depend on the priority the Director wishes to place on them. One member noted that one way of looking at transfers is that it is the licensing process in reverse.

- **Questions for Follow-Up:**
  - The registration form asks for three years of use. How does someone fill out the registration if the use covers a longer period of time (e.g., many years the water is not used and/or the use is not for three consecutive years)?

6. Next Meeting

- Wednesday November 7, 2001 6:00 – 10:00, Trans Alta Utilities, 110 - 12 Avenue SW, Calgary, AB

South Saskatchewan River Basin
Water Management Planning – Phase #1
Bow Basin Advisory Committee Meeting
Approved Meeting Notes

Location: Trans Alta Utilities, 110 - 12 Avenue SW, Calgary, AB
Time and Date: 6:00 PM –9:30 PM, Wednesday November 7, 2001

Attendees

Bob Morrison
Mark Bennett
Matt Kennedy
Howard Heffler
Sarah Hamza
Richard Phillips
Jim Webber
Rob Wolfe
Steve Meadows
Neil Hollands
Tish Kilburn
Heinz Unger
Menno Homan
Roger Drury
Norm Carlson
Andrea Czarnecki
Hugh Pepper
David Hill
Saba Gnanakumar
Mona Keffer
Gary Kindrat

1. Welcome

- Mark welcomed members to the meeting and indicated that the BRBC Board of Directors has reconfirmed their support for this project. In addition, the Board nominated Steve Meadows as Chair for both the BRBC/BAC Steering Committee (BAC members that are also on the BRBC Board of Directors) and the Bow BAC.

2. Review of Meeting Notes

- Approved with no changes.

3. Review of Agenda

- Approved with no changes.

4. General Meeting

- **General Discussion:** One member requested clarification on how the recommendations of the Bow BAC will be used. Bob clarified that the recommendations will be part of input (along with input from the other three BACs) to be used in the development of the SSRB Water Management Plan (WMP). Bob began the session by reviewing answers to the previous meeting's questions. Additional questions and answers were distributed by Steve in response to his own questions. One member suggested that the Department of Fisheries and Oceans (DFO) may take a more active role in the future and this may have impacts on the amount of water kept for instream uses. Bob introduced the concept of "reasonable prospects" with regard to the concept of "use it or lose it" and added that more details on "licences in good standing" will be available shortly. A discussion on the potential pitfalls of "use it or lose it" from a conservation perspective followed. Bob suggested that members consider these potential pitfalls under matters and factors.

- **Request for Presentation:** A request was put forward to have a presentation on administrative guidelines regarding "licences in good standing" at the next meeting. Bob indicated that he would see what he could do.
- **General Discussion:** The discussion continued with a focus on reservoirs. Bob clarified that the priority system does not apply to water stored in reservoirs. One member noted that it is important to remember that, with a transfer, you are not transferring water, you are only transferring a licensed allocation. Bob clarified that an instream licence could only be held by the government.

- **Additional Information:** Bob provided an application for transfer within the Highwood River Basin where the Lieutenant Governor in Council has authorized the Director to consider this application.

- **General Discussion:** Bob clarified that AENV monitors water quantity to see if licences are being used as intended. There are two ways to initiate the process, 1) in response to a complaint or 2) periodic inspections by AENV. Education of water users is also part of this system. The results of these monitoring activities are part of the public record. One member added that some of the licences require the licensee to monitor water use.

5. Workbook Discussion Synopsis

- **General Discussion:** Bob suggested reviewing the list in its entirety first and then working on details later. One member suggested developing a list of principles governing the matters or factors to consider, and Bob suggested using the list server to compile these principles. There was no conclusion on who would initiate this question.

- **Review of Table:** The table from the October 17, 2001 meeting notes was reviewed in its entirety. The revised table is included below with changes. (Editor's Notes: Please refer to the footnotes for additional discussion or points related to the topic. Deleted points with rationale are included in the second table.)

Must a Matter or Factor be Considered When Making a Decision on an Application for Transfer of an Allocation Under Licence?

Matter or Factors Discussed	Must	Different Views	May
Rate (including diversion, consumption, return flow, environmental effects, allocation of water historically used, evaporation and other losses from the water being diverted downstream)	•		
Timing (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	•		
Location	•		
Change in water quality	•		
Existing, potential or cumulative effects on the aquatic environment (including riparian areas)	•		
Existing, potential or cumulative effects on any applicable water conservation objective	•		
Existing, potential or cumulative hydraulic, hydrological, and hydrogeological effects (including the linkages between surface and ground water; and apportionment with Saskatchewan[7])	•		
Existing, potential or cumulative effects on household users, traditional agriculture users and other licensees	•		
Effects on public safety (including fire protection and effluent dilution)	•		
Other matters that the director considers relevant[8]			
Speculation in water allocations[9]			•

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[7] Bob clarified that apportionment is a contract between 4 governments. Alberta's policy is to honor this contract.

[8] The Bow BAC decided to leave this blank intentionally with the view that it is not applicable.

[9] Some members felt that the market will take care of speculators. Bob reiterated the concept of "reasonable prospects" and added that individuals must be able to use the water. One member felt that this was predicated on

Cumulative social effects[10]		•	
Security of water supply[11]		•	
Not allowing those with "excess" allocation (i.e., allocation acquired for future needs) to transfer their excess allocation		•	
Water conservation (including irrigation rehabilitation)		•	
Monitoring and enforcement: How do you make sure the water gets to the person who bought the allocation? Agreed that monitoring and enforcement should be sufficient to allow transfers to be done in a sustainable fashion. Differing views on whether or not that level of monitoring and enforcement must be in place before transfers are allowed.		•	
No net loss of environmental quality		•	
Wildlife impacts		•	

- **Items Deleted from Table:** The following items were deleted from the table. Rationale provided.

Purpose	Covered under speculation.
Is there enough data available?	To be covered under monitoring and enforcement discussion.
How far the allocation will be separated from the original land or undertaking	Covered under location.
Evaporation and other losses: How to account for change in losses due to change in location?	Covered under rate (note addition).
Changes in what the "public good" means	Covered under environmental, social, economic impacts and public safety.
Guidelines for the water withheld for protecting the aquatic environment or implementing a WCO	Will be covered in the next section on holdbacks.
Is it actually possible to use a licence to implement a water conservation objective?	Guidelines will be provided shortly. Bob indicated that it is possible.
Suspension of a transfer (example: where the transfer is in effect during most years, but the allocation reverts back to the original licensee during a dry year)	Covered in answers to questions.
Licences with no maximum allocation (e.g., TransAlta)	Covered in answers to questions
Giving something back to nature, in particular, providing money to make that happen	Covered under other issues. Funding may be one of the considerations.

- **Questions for Follow-Up:**
  - What if sellers make foolish decisions?
  - What are the experiences in other jurisdictions concerning speculation and security of water supply?
  - What happens when a buyer, who has entered into a temporary transfer agreement, does not use a portion of that water allocation for a period of 3 years and as a result has that portion of the licence cancelled? Does the seller ultimately lose that portion of the licence?
  - Should instream needs have a priority? (*Bob indicated that this is a question the BAC is to provide advice on.)*

- **Action:**

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satisfactory monitoring and enforcement. Various methods to potentially manipulate the system were discussed. Conclusion: "May consider" was selected because it was felt that the necessary provisions are in place.

[10] Bob clarified that most water transferred would not invoke an Environmental Impact Assessment (EIA). If an EIA is required, social effects would be considered. A few members felt that social effects are more important than environmental or economic effects and to fail to access them would be a mistake. One member felt that the size of the transfer is what is really important; another felt that the process would become too onerous if too much is requested for consideration. An example of social impacts in Colorado of transfers from irrigation to industry was discussed.

[11] One member suggested leaving some items as "may" to prevent the process from becoming too onerous. Others felt that is must be considered due to its fundamental importance.

  - Menno to initiate list server dialogue on security of supply (or related question).
  - Heinz to initiate list server dialogue on social implications (or related question).
  - Dave will set up a voting site for the remaining points on the list server.

- **Decision:** Agreed that meetings would finish at 9:30 PM instead of 10:00 PM.

6. Water Availability Assessment

- **Highlights:** Bob reviewed the water availability materials. Four potential scenarios based on current laws and policies were examined (including a maximum scenario where every licence is used to the maximum every year). Bob provided a handout summarizing the key points. One member added that the majority of larger licences are held by public authorities (e.g., irrigation districts, municipalities) that are unlikely to use transfers. Another member disagreed. Bob noted that we have excellent records for natural flow and that past flows were assumed to be future flows for this analysis. Bob reviewed the workbook questions for the next meeting and asked members to think about these items.

- **Requests for Information**:
  - Request for field inspection information (Highwood Basin, 2001, other?).
  - Request for a map indicating the locations of monitoring stations (quantity and quality). Also to include frequency of sampling. Irrigation districts and TAU agreed to forward this information to Bob.

- **Action:**
  - Irrigation districts (Dave, Richard and Jim) and TAU (Roger) to forward data as indicated above.
  - Mark indicated that the Board would like to prepare a report (or similar) to allow the BRBC to put their stamp of approval on the outcome. Mark will try to get a sample format together for the next meeting.

7. Closing

- **Comments:** Bob thanked members for their involvement and noted the excellent discussion to this point.

8. Next Meeting

- Wednesday November 21, 2001 6:00 – 9:30, Trans Alta Utilities, 110 - 12 Avenue SW, Calgary, AB
  - Review Meeting Notes and Agenda
  - Complete Matters and Factors Question (30 minutes)
  - Complete Holdbacks Question (60 minutes)
  - Complete Evaluation of Transfers Question (60 minutes)

9. Contingency Meeting (If Required)

- Wednesday November 28, 2001 6:00 – 9:30, Trans Alta Utilities, 110 - 12 Avenue SW, Calgary, AB

South Saskatchewan River Basin
Water Management Planning – Phase #1
Bow Basin Advisory Committee Meeting
Approved Meeting Notes

Location: Trans Alta Utilities, 110 - 12 Avenue SW, Calgary, AB
Time and Date: 6:00 PM –9:30 PM, Wednesday November 21, 2001

Attendees

Bob Morrison
Mark Bennett
Matt Kennedy
Howard Heffler
Sarah Hamza
Richard Phillips
Steve Meadows (Chairman)
Judy Stewart
Tish Kilburn
Heinz Unger
Rob Wolfe
Roger Drury
Norm Carlson
Andrea Czarnecki
Saba Gnanakumar
Jim Webber
Gary Kindrat

1. Welcome

- Steve welcomed members to the meeting. (Ed. Note: At the previous meeting BAC members unanimously concurred with the BRBC Board recommendation that Steve Meadows be the BAC Chairman).

2. Review of Meeting Notes

- Approved with no changes.

3. Review of Agenda

- Approved with no changes.

4. General Meeting

- **General Discussion:** Bob began by providing members with copies of the most recent list server correspondence and by reviewing the series of fact sheets and the social impacts list server synopsis. A review of the decisions made on matters and factors from the previous two meetings followed. The first item discussed in detail was social impacts. One member noted how difficult it is to measure social impacts while another highlighted the need for data to clearly evaluate social impacts. The nebulous nature of social impacts was also raised. One member noted that even the most minor of transfers have social impacts to some degree. Using examples from New Mexico and California, Bob attempted to highlight some of the issues observed in other jurisdictions. One member stressed the importance of allowing an average person to participate in initiatives that involve water (without being subject to extreme costs), and suggested that the question be broken into two parts where quality of life is a "may" and socio-economic impacts is a "must". Another member felt that social impacts were effectively covered earlier under cumulative effects. These points led into a discussion about "public interest" and the role of the government decision-maker in determining public interest.

- **Summary of Discussion:** Under the category of social impacts, the BAC's advice is that "public interest" needs to be defined and triggers need to be determined for when social impacts should be evaluated.

5. Workbook Question #1:

- **Question 1:** What matters or factors should be included in the South Saskatchewan River Basin Water Management Plan for consideration in making a decision on a transfer of an allocation of water under a licence?

*Please note the additional information contained within the footnotes below.

Must a Matter or Factor be Considered When Making a Decision on an Application for Transfer of an Allocation Under Licence?

Matter or Factors Discussed	**Must**	**Different Views[12]**	**May**
Rate (including diversion, consumption, return flow, environmental effects, allocation of water historically used, evaporation and other losses from the water being diverted downstream)	•		
Timing (including diversion, consumption, return flow, environmental effects, allocation of water historically used)	•		
Location	•		
Change in water quality	•		
Existing, potential or cumulative effects on the aquatic environment (including riparian areas)	•		
Existing, potential or cumulative effects on any applicable water conservation objective	•		
Existing, potential or cumulative hydraulic, hydrological, and hydrogeological effects (including the linkages between surface and ground water; and apportionment with Saskatchewan)	•		
Existing, potential or cumulative effects on household users, traditional agriculture users and other licensees	•		
Effects on public safety (including fire protection and effluent dilution)	•		
AENV must define "public interest" and determine triggers for when social impacts will be evaluated.	•		
Other matters that the director considers relevant[13]			
Speculation in water allocations[14]			•
Cumulative social effects[15]		•	
Not allowing those with "excess" allocation (i.e., allocation acquired for future needs) to transfer their excess allocation		•	
Water conservation (including irrigation rehabilitation)		•	
Monitoring and enforcement: How do you make sure the water gets to the person who bought the allocation? Agreed that monitoring and enforcement should be sufficient to allow transfers to be done in a sustainable fashion. Differing views on whether or not that level of monitoring and enforcement must be in place before transfers are allowed.		•	
No net loss of environmental quality[16]		•	
Wildlife impacts		•	

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[12] One member noted that the differing views are a result of insufficient time and/or information.

[13] The Bow BAC decided to leave this blank intentionally with the view that it is not applicable.

[14] Some members felt that the market will take care of speculators. Bob reiterated the concept of "reasonable prospects" and added that individuals must be able to use the water. One member felt that this was predicated on satisfactory monitoring and enforcement. Various methods to potentially manipulate the system were discussed. Conclusion: "May consider" was selected because it was felt that the necessary provisions are in place.

[15] Bob clarified that most water transferred would not invoke an Environmental Impact Assessment (EIA). If an EIA is required, social effects would be considered. A few members felt that social effects are more important than environmental or economic effects and to fail to assess them would be a mistake. One member felt that the size of the transfer is what is really important; another felt that the process would become too onerous if too much is requested for consideration. An example of social impacts in Colorado of transfers from irrigation to industry was discussed.

[16] One member felt that "no net environmental loss" is adequately covered by the aquatic environment bullet. Another suggested that the entire process is predicated on "no net environmental loss".

Items Deleted from Table: The following items were deleted from the table. Rationale provided.

Matter of Factor Discussed	Rationale
Purpose	Covered under speculation.
Is there enough data available?	To be covered under monitoring and enforcement discussion.
How far the allocation will be separated from the original land or undertaking	Covered under location.
Evaporation and other losses: How to account for change in losses due to change in location?	Covered under rate (note addition).
Changes in what the "public good" means	Covered under environmental, social, economic impacts and public safety.
Guidelines for the water withheld for protecting the aquatic environment or implementing a WCO	Will be covered in the next section on holdbacks.
Is it actually possible to use a licence to implement a water conservation objective?	Guidelines will be provided shortly. Bob indicated that it is possible.
Suspension of a transfer (example: where the transfer is in effect during most years, but the allocation reverts back to the original licensee during a dry year)	Covered in answers to questions.
Licences with no maximum allocation (e.g., TransAlta)	Covered in answers to questions.
Security of water supply[17]	Covered under social impacts
Giving something back to nature, in particular, providing money to make that happen	Covered under other issues. Funding may be one of the considerations.

6. **Workbook Question #2:**

- **General Discussion:** One member felt that the holdbacks are a unique opportunity and the 10% should be applied in all cases (regardless of the level of stress). He also noted that the across the board value would also result in a fair operating system. Another member questioned the need for holdbacks when dealing with small transfers (i.e., under a certain volume). Timing was highlighted as being extremely significant and one member pointed out that lower flows at certain times of the year will produce environmental benefits. An example using the Bow River was provided. The same member felt the decision should be left to the Director's discretion. Another member, felt that the 10% figure was arbitrary, questioned where the amount originally came from, and suggested that the Director should take out the 10% for non-stressed reaches, and an additional amount for stressed reaches. Cash in lieu of the 10% was suggested; Bob noted that this is presently not allowed. One member noted that during the winter months, the Bow is running at much higher than natural flows and suggested reading Golder Associate's Instream Flow Needs Report, in particular, the section on optimum flows. One member felt the Director should be able to purchase water at the going rate if needed for a particular stretch of river; another felt it is the responsibility of the Government to protect water in times of scarcity. A discussion on timing followed. Bob reiterated that timing is one of the matters and factors the Bow BAC is recommending be considered by the Director. One member expressed concern over transferring a summer use to a winter use (i.e., how can you transfer something you do not have?). Bob clarified that a change in the timing of a transfer might be possible (upon Director's approval).

- **Task Assignment:** Bob will try to find more information on comparisons of natural flow and instream needs (and the relation to optimum flows) for the Bow River and get this information back to the Bow BAC members. Roger will post additional information on the list-server. Andrea will determine how many licences there are in the Bow Basin.

- **Question 2a:** What factors should be included when considering the withholding of water to protect the aquatic environment or implement a water conservation objective?

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[17] One member suggested leaving some items as "may" to prevent the process from becoming too onerous. Others felt that is must be considered due to its fundamental importance.

- **Response 2a:** All items as noted in Question #1 should be considered.

- **Question 2b:** Should a fixed percentage of water be withheld (10% or less) or should the percentage be left to the discretion of Alberta Environment?

- **Response 2b:** Ten percent should be withheld unless otherwise approved by the Director. The Department must clearly define the circumstances under which the Director will be permitted to withhold less than 10%. In addition, the Department must try to apply withheld water to the period(s) when water is needed in the stream for the aquatic environment or Water Conservation Objectives.

7. **Workbook Question #3:**

- **Related Recommendations:** It was suggested that transfers must be subject to review. In addition, adequate public notice when transfer applications are received was viewed as essential. Suggested methodologies for public notices include:
    - an electronic registration list where interested individuals will be contacted automatically with each new public notice (similar to the list-server);
    - inclusion of public notices of transfer applications on the website;
    - a water title registration system similar to the Land Titles system;
    - public notices advertised in papers at both ends of the transfer;
    - specific notifications for all who may be affected;
    - standard notification of municipalities.

- **Question #3:** What information should Alberta Environment be tracking concerning water transfers?

- **Response #3:** [Editor's Note: The results below are largely the result of a brainstorming session and as such, a detailed analysis of each point below was not conducted.]
    - Quantity of land to be irrigated;
    - Quality of land to be irrigated (e.g., salinization and erosion potential, land rating);
    - Impact on vegetative cover;
    - Socio-economic changes (e.g., new user fees);
    - Number of applications, volume, and number approved;
    - Price (objections were noted due to privacy concerns);
    - Timing (in critical season?);
    - Purpose (from what use to what use?);
    - Any matters and factors considered by the Director should be tracked for a period of time to verify the performance of the decision;
    - Amount withheld;
    - Quality of water;
    - Monopolies;
    - Are the transfers temporary or permanent;
    - Shifts in location;
    - Effective date of change;
    - Complaints from groundwater users;

- **Decisions:** It was suggested (with an apparent great deal of support) that an annual water transfer report be prepared summarizing the data and highlighting applicable trends (i.e., not just providing data, but making sense of it all). It was also agreed that the list in Response #3 as noted above will remain "as is", however, the BRBC may add additional items in their written submission.

8. Additional Question #4

- **Background:** Additional question provided to BAC's at the request of Peter Watson, AENV Director, Bow Region.

- **General Discussion:** A couple of members reiterated the importance of enforcement in order for the process to work effectively. Another member pointed out that the priority date of the licence will become increasingly more important.

- **Question #4:** Should Alberta Environment stop issuing new licences as part of implementing transfers (e.g., impose moratoria)?

- **Response #4:** No, it is not relevant to the transfer situation.

9. General Comments

- **General Discussion:** One member indicated that the workbook format was highly stifling for those with creative energy. Bob noted that the BAC is intending to provide additional comments in the form of a submission/cover letter. Bob clarified that meeting notes from the four BAC's will be combined and this will be part of the data presented in a series of open houses in the early part of the new year. One member suggested that it is important to clearly identify this project as Phase #1 of the Water Management Plan. Bob added that the BAC is free to suggest additional phases and clarified that water quality will be covered under the instream needs work. A couple of members suggested that a follow-up workshop with all four BACs would be useful (in addition to the open houses). One member indicated that he would like to see an outline for the SSRB Water Management Plan. Mark added that the Water Management Framework will be out shortly and added that this is a legal requirement.

10. Closing

- **General Discussion:** Bob noted that the task originally asked of the BAC has been completed and thanked the BAC members for their hard work and efforts. It was decided that an additional meeting would not be necessary and Mark suggested that members send him any additional comments. Additional workbook comments can be sent to Bob. Mark noted that the BRBC submission (in addition to the meeting notes) will largely focus on items of process. Mark reiterated that BRBC members were advised to work through their respective representatives.

- **Decision:** The meeting notes will be reviewed using e-mail. Mark will lead this review. Steve and Bob will report to the BRBC on December 12, 2001. The list-server will remain active.

11. Next Meeting

- It was agreed that no further BAC meetings would be required for Phase 1.

Discussion
from the Bow Basin Advisory Committee List Server

From: Bennett, Mark [MBennett@earthtech.ca]
Sent: Monday, October 22, 2001 1:48 PM
To: 'brbac_list@eidnet.org'
Subject: Electronic Discussion Principles

Greetings all,

I was extremely grateful that so many of you were able to take the time to attend the meeting last week. I take that to be a representation of how seriously you regard this process and your personal commitment to insuring its success.

At the meeting it was decided that I will moderate and there was mention of some guiding principles that will be applied to the discussion. Based upon the very balanced, rationale, civil and respectful conversation I had the pleasure of witnessing at the BAC meeting, I honestly don't anticipate any difficulties and moderating chores won't be very onerous.

Remember one of our basic philosophies is...
Fix the problem, not the blame.

Guiding Principles:
- This discussion is intended to encourage openness and transparency in the consideration of this issue (please, no hidden agendas).
- Function with honesty and integrity.
- Embrace a collaborative, consensus based approach to decision-making.
- Respect and value the opinion of others, especially when those opinions are different than your own.
- Remember that in discussion, you can say anything you want to say as long as it is done in a civil way. But please try to stay away from open criticism of fellow members. The focus is on illuminating the issue not on apportioning fault.
- Take a sustainable, watershed level and ecosystem approach to addressing this issue.

Thank you.

Mark Bennett, B.Sc., MPA
Executive Director
Bow River Basin Council
300, Atrium VII, 340 Midpark Way SE
Calgary, AB, T2X 1P1
(403) 254-3353 (vox)
(403) 254-3333 (fax)
www.brbc.ab.ca

If you have any questions regarding this list, contact owner-brbac_list@eidnet.org.

From: Bennett, Mark
Sent: Tuesday, October 23, 2001 11:53 AM
To: 'brbac_list@eidnet.org'
Subject: The Question of Monitoring & Enforcement

Following the meeting last Wednesday, I volunteered to put a question in regards to the captioned matter to list -server subscribers. This matter was not completely resolved at the meeting and may benefit from further discussion.

By way of background, let me be perfectly clear, that in asking the question I am not meaning to suggest there are any inherent flaws in our regulatory system. I have said at Council meetings in the past and reiterate in the up-coming Newsletter that I believe that the regulatory regime under which we live is very sound and rationale. Therefore, a suggestion for increased monitoring and enforcement is a system concern with regards to implementation, not the legislative infrastructure.

Nevertheless, it bears mentioning that the presence of strict standards, in and of themselves only represents about half of the picture. You may interested to hear that in the mid '80's I did a fairly in-depth report on international air quality standards. The jurisdictions with the most stringent standards, by far, was the former Soviet Union and its East Bloc allies. We also know now that within the developed world and certainly within Europe those locales have the most seriously degraded air quality. I offer this as as case-in-point that a good legislative foundation relies on an appropriate level of monitoring and auditing along with measured and balanced enforcement when necessary.

The point I tried to make at the meeting is that I believe the public can only have confidence in the allocation transfer mechanism if they are assured that there is sufficient monitoring and enforcement of compliance to contracted transfers. I suggested that this consideration overlays the entire process and shouldn't be viewed as a consideration in individual transactions.

Question: What importance do you assign to the matter of monitoring compliance with the provisions of transactions resulting in the transfer of licensed allocation? Do you feel existing resources are sufficient to enforce compliance, where that may be necessitated? Do you agree that this is a consideration that overlays the entire transfer process or is it more appropriately considered in the context of individual transactions?

Mark Bennett, B.Sc., MPA
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From: Norm Carlson [Norm.Carlson@CalgaryHealthRegion.ca]
Sent: Tuesday, October 23, 2001 2:33 PM
To: Bennett Mark; 'brbac_list@eidnet.org'; Norm Carlson
Subject: Re: The Question of Monitoring & Enforcement

Here we go again, Mark

Norm Carlson wrote:

> I agree that monitoring is critical in any legislated enforcement regime.
However, not
> having attended the Wednesday meeting, and simply based on my modest
understanding of
> the issue, I can offer no other definitive answers to the questions that you
pose.
>
> Monitoring needs are usually based on past compliance. If licensees have
> traditionally complied, and are expected to readily comply with any new
demands, then
> minimal monitoring should be necessary.
> I sense that compliance has been high in the past, and that general
compliance can be
> anticipated in the future. I feel that some compliance parameters should be
> established and then measured against what are considered acceptable
standards. For
> instance, we could have a standard that says 95% of our monitoring tests
will show less
> than a 10% exceedance of the licensed amount of water. If the resources
assigned to
> monitoring are more or less than enough to achieve the established
compliance
> standards, then some adjustment may be necessary to either the standard or
the
> allocated resources.
>
> I am simply trying to say that we should stick to the monitoring resources
we presently
> have unless or until we have evidence that our expectations are not being
met.
> Norm Carlson
>
> "Bennett, Mark" wrote:
>
> > Following the meeting last Wednesday, I volunteered to put a question in
> > regards to the captioned matter to list -server subscribers. This matter
was
> > not completely resolved at the meeting and may benefit from further
> > discussion.
> >
> > By way of background, let me be perfectly clear, that in asking the
question
> > I am not meaning to suggest there are any inherent flaws in our regulatory
> > system. I have said at Council meetings in the past and reiterate in the
> > up-coming Newsletter that I believe that the regulatory regime under which
> > we live is very sound and rationale. Therefore, a suggestion for
increased
> > monitoring and enforcement is a system concern with regards to
> > implementation, not the legislative infrastructure.
> >
> > Nevertheless, it bears mentioning that the presence of strict standards,
in
> > and of themselves only represents about half of the picture. You may
> > interested to hear that in the mid '80's I did a fairly in-depth report on
> > international air quality standards. The jurisdictions with the most
> > stringent standards, by far, was the former Soviet Union and its East Bloc

> > allies. We also know now that within the developed world and certainly
> > within Europe those locales have the most seriously degraded air quality.
I
> > offer this as as case-in-point that a good legislative foundation relies
on
> > an appropriate level of monitoring and auditing along with measured and
> > balanced enforcement when necessary.
> >
> > The point I tried to make at the meeting is that I believe the public can
> > only have confidence in the allocation transfer mechanism if they are
> > assured that there is sufficient monitoring and enforcement of compliance
to
> > contracted transfers. I suggested that this consideration overlays the
> > entire process and shouldn't be viewed as a consideration in individual
> > transactions.
> >
> > Question: What importance do you assign to the matter of monitoring
> > compliance with the provisions of transactions resulting in the transfer
of
> > licensed allocation? Do you feel existing resources are sufficient to
> > enforce compliance, where that may be necessitated? Do you agree that this
> > is a consideration that overlays the entire transfer process or is it more
> > appropriately considered in the context of individual transactions?
> >
> > Mark Bennett, B.Sc., MPA
> > Executive Director
> > Bow River Basin Council
> > 300, Atrium VII, 340 Midpark Way SE
> > Calgary, AB, T2X 1P1
> > (403) 254-3353 (vox)
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> >
> > If you have any questions regarding this list, contact owner-
brbac_list@eidnet.org.
>
>   --
>   Name: norm.carlson.vcf
>   norm.carlson.vcf   Type: VCard (text/x-vcard)
>   Encoding: 7bit
>   Description: Card for Norm Carlson

From: Mona Keffer [pacifica@telusplanet.net]
Sent: Wednesday, October 31, 2001 12:42 AM
To: brbac_list@eidnet.org
Subject: Items for BAC discussion

On the issue of allocations held by urban municipalities for future population growth:

We should explore the possibilities of transferring the allocation held by urban municipalities designated for future growth to WCO temporarily until the population growth is realized. The seniority of the allocation should also be transferred to WCO temporarily along with the water use. These options will contribute to the protection and conservation of the aquatic and riparian environments that are dependent on the continual availability of water.

% of hold back: The holdback must be a minimum of 10% to a maximum of 20%. As we all know that the water left in the watercourse will sustain the aquatic environment.

Riparian environment: One of the integral component of a watershed. DFO and MOELP have identified a minimum of 50 m wide corridor as a Fisheries Sensitive Zone (FSZ) which includes floodplains, back and side channels. The numerous characterisitcs of the riparian zone play an important role in sustaining the aquatic environment. We should take this important item into account when we calculate how much water should be withdrawn for other purposes and the % holdback for WCO.

Thank you,
Mona Keffer

From: heinz unger [heinz.unger@3web.net]
Sent: Thursday, November 01, 2001 11:12 AM
To: brbac_list-request@eidnet.org
Subject: Some thoughts on the current Bow basin management plan exercise

Further to Mark's invitation and exhortation to BRBC members, here are some quick observations, comments and questions concerning the current Phase 1 of the preparation of a basin management plan.

- After a considerable period of inaction, there seems to be now a mad rush to get stakeholder and public inputs, allowing barely 2 months for the stakeholders and about two weeks for the public inputs. The 2 months period is totatlly is unrealistic, considering that the stakeholder representatives are volunteers with many other commitments and cannot be expected to attend frequent meetings over a short time period. And allowing just 2 weeks for public inputs across the province through a few workshops (or conferences, as they are called in another reference by AENV) in the larger cities will not be suffcicient to elicit meaningful inputs. Just from looking at the extremely tight timetable, the public consultation process seems more like an exercise in tokenism.

- It would be useful to at least think about the format of these workshops, especially how to get information out to the public in a useful and maeningful way, so that they could really participate and contribute (if that is the real intended purpose).

- As far as the stakeholder reps on the Bow BAC are concerned, I thought there should have been representatives from the scientific and research communities, especially the local universities, included to bring the necessary expertise and impartiality to the exercise.

- It is extremely important how the prices for water allocation transfers (WAT) will be established, either through the market by open auctions or sealed bids, or on the basis of independent valuations. I'd be concerned that if letting the market rule, that smaller urban & rural users could be easily outbid by larger industrial users.

- And what about the real priority needs, are the studies on human demands and needs of the aquatic environment which "have been completed or are underway" [they should be completed now that this exercise has commenced] available to the public for review and scrutiny?

- Also if we do agree to the trading (=selling) of water rights as a good thing since it acknowledges the economic value of water, we have to take this concept one step further and also consider the introduction of recurrent raw water abstraction charges. This would be the best way to (i) promote conservation through a market mechanism, and (ii) allow th setting up of a fund for basin management, such as river ecology and upper catchment protection. Maybe such a fund could also be used to acquire additional water rights for the ecosystem

- The idea of a holdback on any WAT is great, but why only 10% (or less, as stated in AENV's document) if considerably more may be needed for water conservation objectives. 10% seems more like a charitable contribution (tithing for nature?) for the ecosystem. There should not be any artificial limits to the needs of the river ecosystem.

- Especially when it comes to human needs we do need to wait for future phases (3 or beyond as proposed now) to work on conservation -- this is an initiative which could and should be started now, and price signals work best in this respect. The summer season per capita uses in Calgary are almost obscene!

- Another important issue which seems to be missing from the outline TOR for a basin management plan is a concern for the upper catchment / watershed, i.e. to make sure that the water (which is be managed, sold and traded) will keep flowing throughout the year. This means especially the long term protection of the forestry resources in the eastern slopes and other measures to prevent / reduce erosion (curbing OHV use, controlling oil and gas exploration & extraction, etc).

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From: Howard Heffler [hheffler@home.com]
Sent: Sunday, November 04, 2001 9:44 PM
To: Mark Bennett; Sarah Hamza
Cc: Brbac_List-Request
Subject: Water Allocation Transfers

Mark and Sarah;

I tried to send this to the brbac list but it bounced back. Would you forward it for me please?

Here are a few thoughts about water transfers for next Wednesday's meeting.

The Water Act provides for Water Allocation Transfers. From the information provided by Alberta Environment, it appears Transfers are a useful tool that has been used in other jurisdictions and, no doubt, will be used in Alberta. Transfers will allow a free market to be established that places fair value on water. In a basin (river) that that has limited water, it appears that water transfers will improve the beneficial use of water for Albertans.

Approvals for Water Allocation Transfers may be by Cabinet or by "the director" if Transfers are approved within an approved Water Management Plan. If the South Saskatchewan River Basin Plan is to approve Water Allocation Transfers, there should be some guiding principles. As a stating point, here are some suggestions:

All Water Allocation Transfers should be subject to the maximum 10% holdback provided for in the Act.

Water transfers are normally only of value in a constrained basin. If there is lots of water, it is unlikely there would be a need for this tool. If that is the case, it stands to reason that a holdback is an effective way of getting more water back into the river. Therefore all Water Allocation Transfers should be subject to the 10% holdback.

All water "reclaimed" by a holdback should be guaranteed to be left in the river for the aquatic environment and must not be re-allocated to another user.

While it appears the intent of water that is withheld by a "holdback" will be for the aquatic environment, the wording in Section 83(3)(b) and the cross-reference to Section 35 is not clear. The wording in the South Saskatchewan River Basin Management Plan should be strengthened to ensure all holdback water is not allocated to another user but it will remain in the river. It should be over and above Instream Flow Needs.

Water Allocation Transfers must be a tool to encourage (not discourage) water conservation.

All water users must be encouraged to conserve water. Transfers should not be approved when a water conservation strategy would achieve a similar beneficial objective.

Howard Heffler
(403) 284-2961
hheffler@shaw.ca

From: Homan, Menno [MHoman@earthtech.ca]
Sent: Friday, November 09, 2001 3:41 PM
To: 'brbac_list@eidnet.org'
Subject: Priority of Use Principle

We need to develop a set principles.

Principle 1
Security of water supply is essential for priority uses such as drinking

water.
Prioirity of use should be considered and parallel security of water supply must be assured before a transfer is approved by the Director. Levels of priority of use should be included.

Principle 2
Social impacts to downstream users must be addressed either individually or as cumulative impacts.
Whatever the transfer amount it must be considered fully in a sustainable renewable assurance context.

Disclaimer
Regarding the BAC Report. There must be a disclaimer in the report that is signed off by both the BAC Chair and BRBC Chair that the recommendations are based on principles rather than set rules. Set rules must be tested against all possible scenarios and that cannot be achieved within the time frame avaible for the BAC review.

Follow up requested by Menno
If you have any questions regarding this list, contact owner-brbac_list@eidnet.org.

Date: Tue, 13 Nov 2001 17:05:25 -0700
From: "Howard Heffler" <hheffler@home.com>
To: "'Brbac_List" <brbac_list@eidnet.org>
Subject: FW: Water Transfers
Message-ID: <NFBBJOHJILOMMNFKFGLNCEMLCBAA.hheffler@home.com>

I tried to send this last night but it bounced back. Here is a second try.

At the meeting last week we were asked to post some suggestions for guiding principles to be considered by the Director when reviewing applications for Water Allocation Transfers. Here are three suggestions.

(1) All Water Allocation Transfers should be subject to the maximum 10% holdback provided for in the Act.

Water transfers are normally only of value in a constrained basin. If there is lots of water, it is unlikely there would be a need for this tool. If that is the case, it stands to reason that a holdback is an effective way of getting more water back into the river. Therefore all Water Allocation Transfers should be subject to the 10% holdback.

(2) All water "reclaimed" by a holdback should be guaranteed to be left
in
the river for the aquatic environment and must not be re-allocated to another user.

While it appears the intent of water that is withheld by a "holdback" will be for the aquatic environment, the wording in Section 83(3)(b) and the cross-reference to Section 35 is not clear. The wording in the South Saskatchewan River Basin Management Plan, should be strengthened to ensure all holdback water is not allocated to another user but it will remain in the river. It should be over and above Instream Flow Needs.

(3) Water Allocation Transfers must be a tool to encourage (not discourage)
water conservation.

All water users must be encouraged to conserve water. Transfers should not be approved when a water conservation strategy would achieve a similar beneficial objective.

Howard Heffler
284-2961
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End of brbac_list V1 #8
****
If you have any questions regarding this list, contact owner-brbac_list@eidnet.org.
If you have any questions regarding this list, contact owner-brbac_list@eidnet.org.

From: James Webber [JWebber@wid.net]
Sent: Wednesday, November 14, 2001 10:53 AM
To: 'brbac_list@eidnet.org'
Subject: RE: brbac_list V1 #8

Let's not get too carried away with this Social Impact mantra. If we make the rules too complicated then there will be no transfers. Transfers were invented to encourage movement when the surpluses were fully allocated.
If you like analogies we are suggesting that to sell/transfer a car from Fred to Bill we must first consider the total social impact on the Calgary transportation system, because other may have a right to ride in that car.
A water license is a simple commodity with very restrictive terms and conditions. That is all you can transfer, less a likely 10%. Chances are you could pick up further restrictions on before it can be used. There will be a cash adjustment from buyer to seller, and that is a form of social impact recognition.
The greatest challenge for the director is the accumulative effect over the whole catchment. I am confident that there will be smart people in that role to identify a negative trend, and so ensure that trading ceases on that reach. With 90% of the Bow River licenses tied in "Trusts" to Irrigation Districts and Municipalities that only leaves the 10% to trade. We would assume that most people keep licenses to use them so maybe only 1% would even consider a trade option. So across the total Bow watershed only 0.1% of licenses could be accessed for environmental clawbacks. I would suggest the next new licenses issue from the "surplus water stocks" will have far more of an environmental impact than any trading effect over the next 10 years.

Let's keep the rules for water trading nice and simple. Social impacts will be minor as the actual water volumes traded will be very low. If a municipal interest wants more water then it can purchase the paper access from farming interests. With their larger tax base there will be no competition from the farming economy, it cannot afford to compete. The municipalities also have their own water conservation effort as a cheaper first choice.

Consideration of Social Impacts should be a "may", as it is too variable as a measuring stick. It is heavily weighted by the political agenda, and the personal values placed upon social elements. The Consideration should be more focussed on the aquatic environmental effects. Here there will be data and measurements to support or deny transfer requests. What anyone is prepared to pay for water, and the use they put it to is their personal (or institutional) choice. From the province we require the assurance that the environmental result of the transfer will not degrade the enjoyment or access of future generations. Environmental considerations should be the "must".

Jim Webber

From: Bennett, Mark [MBennett3earthtech.ca]
Sent: Thursday, November 15, 2001 2:27 PM
To: BAC (post a message) (E-mail)
Subject: A Question of Taxation

One very minor factor impacting on the purchase of transferred allocation is our old enemy the GST. Anyone care to venture an opinion as to whether or not these transactions are taxable?

Mark Bennett
Executive Director

If you have any questions regarding this list, contact owner-brbac_list3eidnet.org.

From: Homan, Menno [MHoman3earthtech.ca]
Sent: Thursday, November 15, 2001 4:40 PM
To: 'brbac_list3eidnet.org'
Subject: Social Mantra-Transfers

The concern of the Director should be environmental when the aquatic ecosystem and socio-economic systems are both under stress due to potential lack of water. Water transfers are however about fullfilling socio-economic benefits and in most cases meeting a basic life sustaining requirement in times of shortage.

The Director should ensure the social impacts or "social demands" do not results in unfair or unwise allocations of water. As demand increases the socio-economic value increases along with an increase in socio-economic impacts, where for example, one particular business segment is targeted unfairly to conserve water. See Article in Nov. 15 , 2001 SUN page 20.

Social impacts are about economics as much as they are about perceived or real water rights or aquatic protection. And from an economic point of view if businesses or individuals are impacted inequitably, the political waves will be greater then the aquatic protection waves. Transfers however small must not inflame the socio-economic system if it can be avoided.

We all have a social responsiblity to properly value, protect and share the available water wisely within an outside our respective watersheds for its many uses.

If you have any questions regarding this list, contact owner-brbac_list@eidnet.org.

From: heinz unger [heinz.unger@3web.net]
Sent: Sunday, November 18, 2001 10:45 PM
To: brbac_list-request@eidnet.org
Subject: Social Impacts discussion and views

Although a bit thin on participants the discussion on the social impacts is rich in substance and has brought out strong views. Whatever the position, social / economic impacts are key in the water business too, and can also have the most serious (political) repercussions. Therefore, I suggest that this issue should feature prominently in the public consultation on the water rights transfers, and in this context I wondered whether AENV has thought of broad advertising, a suitbable format and useful information packages (also media briefings) to promote meaningful discussion and worthwhile inputs from the (informed) public.

heinz unger

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From: Bennett, Mark [MBennett@earthtech.ca]
Sent: Monday, November 19, 2001 8:39 AM
To: BAC (post a message) (E-mail)
Subject: The Importance of Public Consultation

I think Heinz makes an excellent point, and certainly the correlation between social impact and public consultation seems most evident. It is worth noting, that Howard Heffler (much to his credit) has already brought the importance of the public consultative process to my attention.

I am very proud and impressed with the level of discussion thus far and I 'm very grateful to AENV for the faith they demonstrate in our Council in offering us the opportunity to form the BAC. However, as Howard has correctly noted, while our very best efforts may be a very accurate surrogate measure of public opinion this will only be demonstrated and calibrated when the necessary public process is allowed to fully run its course. The BRBC is blessed with a very broad representation of stakeholder opinion and we add a very valuable step in zeroing in on rational advice, but we are not "the public". The need, indeed the requirement, to give any interested party (including those who may not be represented on the Council) the opportunity o comment can not be circumvented through our participation.

To address this matter, I have already taken the following steps:

* In accordance with Howard's suggestion I have suggested to Steve (our Chairman) that the BRBC submission on Phase I must clearly support, in fact demand, a thorough public consultative process as originally indicated in the Province's Work Plan on this project.

* I have spoken to Bob Morrison and suggested that it would be prudent for the Department's Communications staff to begin the preparations now and be prepared to be very visible in the advertising of public sessions.

* Further, I have asked Bob to provide whatever information or insights he can on the Department's plans at our next BAC meeting (Wednesday night).

* Steve and / or Bob are going to brief the Council about the BAC process at our next scheduled meeting (Dec. 12). Importantly, it is hoped that some fairly detailed information about the public consultation follow-on will be available. By arming our members with this information along with exhorting them to spread the word, we should be able to admirably supplement the Department's other advertising efforts.

Mark Bennett
Executive Director

If you have any questions regarding this list, contact owner-brbac_list3eidnet.org.

Oldman Basin Advisory Committee

Deliberations

Alberta
ENVIRONMENT

2nd Floor, Provincial Building
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MEETING NOTES

OLDMAN RIVER BASIN ADVISORY COMMITTEE

The South Saskatchewan River Basin Water Management Plan

Date: 25 October 2001
Location: Provincial Building, Lethbridge

Attending:

- Sector Representatives and Alternates:

Sector:	Representative, Alternate:
Headwaters Rural Municipalities:	Brian Hammond, Rod Cyr
Downstream Rural Municipalities:	Hank Van Beers
Headwaters Towns and Villages:	Ralph Bourque
Industrial:	Greg Nikles
Other Agriculture:	Larry Nolan
Ecosystem Protection:	Cheryl Bradley, Cheryl Fujikawa
Oldman River Dam EAC Liaison:	Henry Bosman
Irrigation Agriculture:	Keith Francis
Downstream Towns and Villages:	Duncan Lloyd
City of Lethbridge:	Doug Kaupp

Absent:

First Nations:	Rick Yellowhorn
Irrigation Agriculture:	Stan Klassen (with regrets)
Recreation:	Jim Clarke

Alberta Government staff:
Doug Ohrn, Basin Coordinator, Environment
Cheryl Dash, Community Relations Officer, Environment
Dave McGee, Alberta Environment

Meeting Topics:

1. Welcome and Introductions

- Doug Kaupp will be replacing Ed Martin as the City of Lethbridge representative.

- Harley Phillips will no longer be representing the downstream towns and villages as he is no longer the mayor of Taber.
- All members reintroduced themselves.

2. **Review Agenda**
   - It was decided that a review of the Calgary 10 October 2001 joint BAC meeting was not necessary.

3. **BAC Input**
   - Discussion over the short timeline and that the BAC's were still expected to confer with their associated sectors and gather input. AENV would help by providing administrative support where needed.
   - As discussion occurs at meetings, some items not specifically dealing with *Water Allocation Transfers* will be 'parked' for future discussion.
   - To help guide BAC's through the topic of *Water Allocation Transfers* a workbook was developed. All BAC's will use this workbook.
   - As the discussion in all the basins continues, notes and related material will be shared in a timely manner.

4. **Administration**
   - A video and transcript of the October 10 Joint BAC meeting will be available. Greg Nikles identified he would like a copy of the video to view.
   - A transcript of the Joint BAC meeting is available in print and electronic form. Henry Bosman requested a paper copy of the parts of the transcript that covers Dave McGee's talks.
   - Electronic copies of the approved Terms of Reference, Work Book and Plan one-pager is to be emailed out to members.
   - It was recommended that these items (above) be made available on a website.
     - Cheryl is in the process of making this happen.
   - Next meeting dates:
     - Wednesday November 7, 5 – 9 pm Provincial Building;
     - Thursday November 8, 5 – 9 pm Provincial Building;
     - Thursday November 29, 1 – 9 pm Provincial Building.
     - Meals will be provided.
   - Concerns were expressed that Fisheries and Oceans Canada (FOC) were not included in these BAC discussions. Doug identified that the Steering Committee is briefing FOC on the whole project. Doug will continue to track this and report back to the BAC.

5. **Discussion/Ideas/Questions to Consider**
   - Whether there are temporary or permanent transfers --- should there be holdbacks on temporary transfers? Should there be holdbacks on Permanent Transfers?
   - Assignments were used this year not transfers.
   - Describe temporary transfer
     - No priority is lost
     - Allocation refers to rate, volume, priority
   - Transfers could not negatively affect third parties.
   - Who decides on the use (matters and factors) that the transfer is priority for…taking a look at the economic importance.

- Water license not being used completely can be used for the greater good.
- Dollars will come into this.
- Possible compensation from a transferee or transferor to third parties who could suffer harm from a transfer.
- Transfer of license to environmental group for the environment – transfers to crown – the crown could not then re-issue it.
- Transfer of water downstream should automatically be approved --- holdbacks --- how much???
- Traditional agriculture use.
    - Livestock consumption
    - Pesticide spraying prior to 1999 01/01
    - Dec 31/01 last day to register
    - Registration cannot be transferred
- There is no new water only intensification of use.
- Changing water use (conserving) promotes efficiency.
- Definition of aquatic environment…. very broad. Many aspects of the aquatic environment could be considered in evaluating effects of a transfer, not just those for which instream needs are being determined.
- Transfer of water to better irrigatable land has a greater priority than poorer land
- River reaches that are stressed should not have additional allocations….protect the aquatic environment.
- All for one – one for all concept…respect downstream users despite priorities and uses.
- All irrigation districts within the SSRB are capped --- expansion of irrigated land is through efficiency and technology changes.
- Reallocations are only done through cancellations of 'not in good standing' licenses.
- Does water left in a river due to a license being cancelled have to be re-allocated?
- Dave will have a definition for not in good standing within the next two weeks.
- What happens if urban centres cannot get any more water for an expanded city?
- There could be a grant system to get low risk water for municipalities.
- Towns should have water use plans.
- There may be some water available through the irrigation districts.
- Incentives for off stream storage for municipalities.
- Where is the 'comfort zone' for aquatic needs…are the instream needs being satisfied?
- Public involvement…greater public interest.
- Provide info on Public involvement.
- Groundwater depleting due to rivers at minimum flows.
- A water use conservation element could be included in new licenses created as the result of a transfer.
- When notifications are issued for public review of a transfer, who can speak for the environment? Who has standing to do this?

These minutes were prepared by Cheryl Dash (403-381-5562). Please advise if there are any errors or omissions.

Copies to: BAC Coordinators
All attendees

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MEETING NOTES

OLDMAN RIVER BASIN ADVISORY COMMITTEE

The South Saskatchewan River Basin Water Management Plan

Date: 07 and 08 November 2001
Location: Provincial Building, Lethbridge

Attending:

- Sector Representatives and Alternates:

Sector:	Representative, Alternate:
Headwaters Rural Municipalities:	Brian Hammond, Rod Cyr
Downstream Rural Municipalities:	Hank Van Beers (07 only)
Headwaters Towns and Villages:	Ralph Bourque
Industrial:	Greg Nikles (07 only)
Other Agriculture:	Larry Nolan
Ecosystem Protection:	Cheryl Bradley, Cheryl Fujikawa (07 only)
Downstream Towns and Villages:	Duncan Lloyd
City of Lethbridge:	Doug Kaupp
Recreation:	Jim Clarke
Irrigation Agriculture:	Stan Klassen (08 only)

Absent:

First Nations:	Rick Yellowhorn
Oldman River Dam EAC Liaison:	Henry Bosman (at final EAC meeting)

Alberta Government staff:

Doug Ohrn, Basin Coordinator, Environment
Cheryl Dash, Community Relations Officer, Environment
Alan Pentney, Regional Director, Environment (part) (07 only)
Dave McGee, Water Manager, Environment (part) (07 only)

Meeting Topics:

1. Welcome and Introductions

2. Review Agenda

3. **Administration**
- Members were asked if they had received the mail-out. Both Hank Van Beers and Duncan Lloyd had not received the mail out yet (but it should be in the mail).
- Reminder to all BAC members to submit expense claims to D. Ohrn or C. Dash by the end of the year if you are claiming for mileage, meals or accommodation. Those organizations that are able to cover expenses of members are encouraged to continue to do so.
- Copies of Dave McGee's presentation on Oct. 10 at the Joint BAC meeting have been requested by Cheryl Bradley, Brian Hammond and Greg Nikles.
- The video of the joint BAC meeting is not ready. We will try to get this done by end of next week (November 16, 2001).
- Alberta Environment will be hosting the webpage for the South Saskatchewan River Basin Water Management Plan. Some information will hopefully be posted by Friday November 9, 2001.
- Discussion over the possibility of the Oldman BAC starting a list server took place and general agreement was that it's not necessary at this time. The BAC felt the website could serve as an avenue to get information out to interest groups. Oldman BAC members would like to have the information on how to access the Bow and Red Deer River BAC's list servers.
- DRAFT minutes were approved – no comments received.
- Water Availability Information Package was reviewed and discussed. Extra copies were made available to members.

Preliminary Advice from the Oldman River BAC

The following points have been brought forward and discussed to varying degrees by committee members, but that there was not an attempt to reach general agreement/consensus on all points nor to priorize the points raised.

1. **Matters & Factors that the Director should consider when reviewing applications for water allocation transfers:**

- Transfers should not negatively affect third parties.
- Sustainable development and water conservation efforts should be rewarded and be the responsibility of all water users in the basin.
- The market or economic situation at the time will provide the impetus for a water transfer and the purpose of the transfer.
- A water licence not being used completely can be used for the greater good by providing an additional source of water. For example, an urban area could pay for conservation in an irrigation area in order to receive the water made surplus. These conservation efforts can create a type of credit system in which a transfer or additional transfers of water to occur (remembering that part of a licence can be transferred).
- Possible compensation from a transferee or transferor to third parties who could suffer harm. Ideally those parties involved would be satisfied before the transfer takes place.
- Transfer of a licence to an environmental group to remain 'for' the environment. The process for this to happen could be having the transfer of the licence to the Crown, and then the Crown in turn could not re-allocate it. Water would remain in the system for the environment to maintain the WCO or the IO. Priority would remain.
- Many aspects of the aquatic environment should be considered in evaluating the effects of a transfer. Consideration should be given to instream needs and there should be the flexibility to deal with each situation on a case-by-case basis.

- River reaches that are stressed should not have additional allocations allotted. Protection of the aquatic environment should be a major consideration.
- All water users should have water use plans in place prior to transfers taking place. Existing users should also consider developing water use plans to increase efficiency for the overall conservation of water in the basin. These water plans must be in place prior to the transfer being approved.
- A water conservation element could be included in a new licence as a result of a transfer.
- Upstream transfers should be automatically approved, so upstream areas with no storage or senior licences can obtain water. Would upstream users benefit if there is not enough water in the system?
- Water is a crown resource and all Albertans have an opportunity to share in the resource. Therefore, monetary compensation or markets should not be the only reason for transfers. It is the responsibility of the Director to consider all factors and criteria when reviewing a transfer.
- The sale of transfers or movement of water out of the province (interprovincial or international) should not be allowed. Steps and measure to identify these possibilities need to be developed.
- The level of public interest should determine the public process for public comments (e.g. on concerns for biological life). Who speaks for the environment? This information and public process should occur prior to the appeal process. The time allowed for public review should be re-examined.

2. Water Conservation Holdbacks:

- Should there be holdbacks on temporary transfers?
- Should there be holdbacks on permanent transfers?
- Holdbacks may have a different formula when the transfer goes downstream (which is likely to benefit the aquatic environment).
- Impediment to transfers – especially if 10% withheld each time – particularly in the case of temporary transfers?
- Hold back only when WCO (to be established in Phase 2) is not being met
- Holdback only if aquatic life benefits (no need to holdback in river reaches where instream needs are being met).
- If licence is a gift to the Crown for aquatic environment – no holdback
- For the first year – 1-10% holdbacks (once transfers are authorized) should be withheld for the aquatic environment in stressed reaches; but for tourism, recreational, transportation, waste assimilation uses, water should be withheld only if a WCO is established (WCO's to be established in Phase 2).
- Government withholds up to 10% right away, but returns later if not required for aquatic environment or WCO (Phase 2)
- For long-term temporary and permanent transfers no holdbacks if diversion point moves downstream, unless a stressed reach downstream of the new diversion point could benefit.
- Holdback highest when stream need is highest.
- Need to have specific parameters (members can add to ideas for parameters) for Director to guide amount of holdback (1-10%). This may belong in Phase 2

3. Future Evaluation of Transfers System:

- Is the aquatic environment improving? There are many parameters to consider.
- The volume of the holdbacks per year.
- The number of transfers per year, per section of river.
- Average length (time) of a temporary transfer.
- Number of permanent and temporary transfers.
- Utilization of new licences.
- Trends in uses.
- Track if licence/transfer is being used for the licensed purpose.
- Deterioration of water quality at return flows.
- Track actual number of licences held by one person or company (monopoly concerns).
- Track the number of holders associated with volume. Again ensuring that there is not an individual or company holding the majority of transfers. This should be determined by volume not by number of licences.
- How many transfers are upstream as well as downstream?
- The number of appeals. Wins and losses.

4. Topics for future phases of the SSRB Water Management Plan:

(none identified at this time)

5. Points to be addressed outside the SSRB Water Management Plan

Points concerning the Water Act:

- Change Water Act to allow holdbacks for use of domestic use, industry, etc.
- What are the international or interprovincial implications of water allocations transfers?
- According to the Act…what is a directly affected party?
- Re-examine the public process for transfer applications.
- There should be more than one person involved in the decision making process of the transfer application. A council or committee should be developed.
- Temporary diversion – less than 10 years and then holdback returned.
- What does temporary mean? Are there minimum and/or maximum periods of time?

Points concerning provincial water management policy:

- There could be a grant system to get low risk water for municipalities.
- Municipalities should be provided with information and assistance in developing a type of incentive program for off stream storage.
- The 'Fundamental Life of the Community' should not be placed in jeopardy because of water shortages. A reasonable quality of life ensuring emergency services, enough potable water, and requirements for basic household needs should be guaranteed. In this process a minimum amount of water identified for all traditional water users and all municipalities should be developed. If these levels are not met, steps to rectify the situation should be a priority of the Government. In addition all urban centers (regardless of size) should be considered equal in the 'allocation' of minimums of water.
- The Government is responsible for providing these basic needs and in turn responsible for buying transfers to meet these needs. Decisions on who has first right to purchase transfers in order to achieve these basic needs or quality of life need to be held (Should the government have first right?).

- Minimum water supplies to allow for the fundamentals of life and allowing for population increases should be reserved.
- There should be a process in place to ensure that growth and sustainable development is not hampered in municipalities.
- Government could buy licences back to leave water in stream.
- High risk licences (should AENV continue to issue high risk licences?)
    - Depends on location
    - Some businesses may need water only infrequently
    - Especially if have storage
    - Not on stressed rivers -
    - Director may consider risk and make it clear to applicant
    - If there are more new junior licenses, in times of water shortage, the senior licences may be less inclined to engage in water sharing.
- Climate change must be taken into account.
- 10% withholding total – for aquatic environment as well as for future consumptive use.
- Upstream of Oldman River Dam storage is needed for the benefit of upstream users. Other tributaries may need storage options as well.
- Conservation efforts/use should be included in a review of existing licences.
- Enforcement and monitoring – ensure there is enough staff to monitor users specific to their licences.
- Water transfer exchange / water pool: There may be a role for government in this.
- Is there a place to post the availability of transfers…governments or municipalities?
- Review public involvement – allowing public enough time to access information about applications for transfers – increase the level of profile.
- More consultation in the planning process needs to be provided to ensure that all users and basin residents are informed.

These minutes were prepared by Cheryl Dash (403-381-5562). Please advise if there are any errors or omissions.

Copies to: BAC Coordinators
All attendees

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MEETING NOTES

OLDMAN RIVER BASIN ADVISORY COMMITTEE

The South Saskatchewan River Basin Water Management Plan

Date: 29 November 2001
Location: Provincial Building, Lethbridge

Attending:

- Sector Representatives and Alternates:

Sector:	Representative, Alternate:
Headwaters Rural Municipalities:	Rod Cyr
Downstream Rural Municipalities:	Garth Bekkering
Headwaters Towns and Villages:	Ralph Bourque
Industrial:	Greg Nikles
Other Agriculture:	Larry Nolan
Ecosystem Protection:	Cheryl Bradley
City of Lethbridge:	Doug Kaupp
Recreation:	Jim Clarke

Absent:

First Nations:	Rick Yellowhorn
Oldman River Dam EAC Liaison:	Henry Bosman
Downstream Towns and Villages:	Duncan Lloyd
Irrigation Agriculture:	Stan Klassen

Alberta Government staff:
Doug Ohrn, Basin Coordinator, Environment
Cheryl Dash, Community Relations Officer, Environment

Meeting Topics:

1. Welcome and Introductions

2. Review Agenda

3. **Administration**
   - There was some discussion about holding another joint BAC meeting in January to review the plan and to brainstorm ideas for phase 2. BAC members are in favour of another joint meeting.
   - Public involvement for phase 1 was reviewed and it was identified that there would be one open house in Lethbridge for the Oldman River Basin. There was some discussion about possibly holding a session in Pincher Creek if there are a large number of questions or concerns from the headwater groups. Ralph Bourque will distribute information and let Cheryl and Doug know if a meeting is required.
   - Reminder to all BAC members to submit expense claims to D. Ohrn or C. Dash by the end of the year if you are claiming for mileage, meals or accommodation. Those organizations that are able to cover expenses of members are encouraged to continue to do so.

Advice from the Oldman River BAC

The points listed below are not in order of priority.

1. **Matters & Factors that the Director should consider when reviewing applications for water allocation transfers:**

- Effects on third parties. Possible compensation from a transferee or transferor to third parties who could suffer harm. Ideally those parties involved would be satisfied before the transfer takes place.
- Effects on the aquatic environment. No harm should occur to the aquatic environment as a result of the transfer. Consideration should be given to instream needs and there should be the flexibility to deal with each situation on a case-by-case basis.
-
- The transfer application should be accompanied by a water management plan which includes a conservation/efficiency component. These plans must be in place prior to the transfer being approved.
- The sale of transfers or movement of water out of the province (interprovincial or international) should not be allowed. Steps and measure to identify these possibilities need to be developed.
- A high level of public interest within the basin should be considered in reviewing a licence transfer.
- The Director MUST consider all of the matters and factors currently identified in the Act 82(5).

2. **Water Conservation Holdbacks:**

- There should be no holdbacks on a temporary transfer less than or equal to five years.
- There should be holdbacks on permanent transfers, up to 10%, where it is needed to meet INs or WCOs.
- If licence is a gift to the Crown for aquatic environment – no holdback.
- In the absence of WCOs, 1-10% holdbacks (once transfers are authorized) should be withheld if it will benefit the downstream aquatic environment; but for tourism,

recreational, transportation, waste assimilation uses, water should be withheld only if a WCO is established (WCO's to be established in Phase 2).

- Holdback variances, if there are any, should relate to water yield trends, not necessarily related to individual years.
- There should a list of publicly available criteria to be used in decisions about the amount of water to be withheld in a transfer.

3. Future Evaluation of Transfers System:

- Is the aquatic environment improving? There are many parameters to consider.
- The volume of the holdbacks per year.
- The number of transfers per year, per section of river.
- Average length (time) of a temporary transfer.
- Number of permanent and temporary transfers.
- Utilization of new licences.
- Trends in uses – separate commercial/industrial from domestic in municipal uses.
- Track if licence/transfer is being used for the licensed purpose.
- Monitoring water quality at all return flows (including in urban areas).
- Track actual number of licences held by one person or company (monopoly concerns).
- Track the number of holders associated with volume. This should be determined by volume not by number of licences.
- How many transfers are upstream as well as downstream.
- The number of appeals. . Outcomes.
- Track conservation practices in water use plans.
- Track the progress of achieving or meeting INs (by km of river).

4. Topics for future phases of the SSRB Water Management Plan:

- Off stream storage – other storage options.
- On stream storage.
- Identify barriers and opportunities to the highest and best use – for example Government subsidies.
- Water as a limiting factor for the basin (patterns of growth, etc.). What are the implications.

5. Points to be addressed outside the SSRB Water Management Plan

Points concerning the Water Act:

- Change Water Act to allow up to 10% holdbacks for municipal use not just for the aquatic environment.
- Ensure that there are no international or interprovincial water allocation transfers.
- According to the Act…what/who is a directly affected party in an appeal? Who speaks for the environment or other matters of public interest with respect to transfers?
- Should there be more than one person involved in the decision making process of the transfer application? An advisory council or committee should be developed.
- Does the definition of temporary transfer need to be added to the Act?

Points concerning provincial water management policy:

- There could be a grant system to get low risk water for municipalities.
- Consider the need to provide municipalities with information and assistance to maintain or develop water storage.
- The 'Fundamental Life of the Community' should not be placed in jeopardy because of water shortages. A reasonable quality of life ensuring emergency services, enough potable water, and requirements for basic household needs should be guaranteed. If these levels are not met, steps to rectify the situation should be a priority of the Government. In addition all urban centers (regardless of size) should be considered equal in the 'allocation' of minimums of water.
- (add to point before)The Government is responsible for providing these basic needs and in turn responsible for buying transfers to meet these needs. Decisions on who has first right to purchase transfers in order to achieve these basic needs or quality of life need to be held (Should the government have first right?).
- (add)Minimum water supplies to allow for the fundamentals of life and allowing for population increases should be reserved.
- Government may need to buy licences back to leave water in stream.
- Should AENV continue to issue new allocations, even if they have a higher degree of risk?
  - Depends on location
  - Some businesses may need water only infrequently
  - Especially if have storage
  - Not on stressed rivers
  - Director may consider risk and make it clear to applicant
  - If there are more new junior licenses, in times of water shortage, the senior licences may be less inclined to engage in water sharing
  - Existing licence applications should be processed (not necessarily granted).
  - Moratorium for 5 years or until water management plan is completed.
- Climate trends must be taken into account when modeling scenarios – driest and wettest (precautionary approach).
- Upstream of major storage facilities some new storage may be needed.
- Conservation efforts should be encouraged through a variety of means (i.e. education, awareness, incentives, etc.).
- Public awareness of the water situation in the basin should be increased.
- Enforcement and monitoring – ensure there is enough staff to monitor users specific to their licences.
- Consider a mechanism for public posting of available water as a condition of an intent for a water allocation transfer. Allow public enough time to access information about applications for transfers – increase the level of profile. There could be a legal requirement that allocations being offered for transfer be advertised for a period of time before an application for a transfer will be accepted.
- The market or economic situation will generally provide the impetus for a water transfer and the purpose of the transfer. Water is a Crown resource and all Albertans have an opportunity to share in the resource. Therefore, monetary compensation or markets may not be the only reason for transfers. It is the responsibility of the Director to consider all factors and criteria when reviewing a transfer.
- Transfers should be conducted on a volume basis – not acreage. The Director needs to consider rate and timing.
- Transfers of a licence 'for' the aquatic environment. A licence would be transferred to the Crown, and the Crown, in turn, could not re-allocate it. Water would remain in

the system for the environment to maintain the WCO or the IO. Priority would remain.

- River reaches that are stressed should not have additional allocations allotted. Protection of the aquatic environment should be a major consideration.
- Existing users should consider developing water use plans to increase efficiency for the overall conservation of water in the basin.

In Good Standing

- The variability of weather (wet and dry years), related to use, needs to be considered in determining 'good standing'.

Other

- A water licence not being used completely can be used for the greater good by providing an additional source of water. For example, an urban area could pay for conservation in an irrigation area in order to receive the water made surplus. These conservation efforts can create a type of credit system in which a transfer or additional transfers of water to occur (remembering that part of a licence can be transferred).
-

These notes were prepared by Cheryl Dash (403) 381-5562. Please advise if there are any errors or omissions.

Copies to: BAC Coordinators and members.

ISSUES FOR UPSTREAM WATER USERS ON THE OLDMAN RIVER BASIN

Users upstream of the Oldman Reservoir are currently in a unique situation relative to expanding requirements for water allocations in the Oldman South Saskatchewan River Basins. Although the OMD is located in MD 9 the very short distance between the dam and the Peigan Reserve #147 (downstream to the east) virtually precludes any further allocations for MD 9 users downstream. Thus further allocations could only be allotted from upstream flow or directly from the Reservoir itself.

A commitment to reserve sufficient water for 15,000 acres of irrigation in the MD of Pincher Creek is identified in the South Saskatchewan Basin Water Allocation Regulation, Order in Council 615/91. This reserve presumably for uses adjacent to the dam is not licensed. Should such an allocation be licensed at this point in time it would be very high-risk in view of limited instream flows in many years and higher priority licenses downstream. In many years the license would be virtually unavailable.

A proposal that a new irrigation district be created in the area to make use of this allocation faces a dual challenge. Firstly the creation of new irrigation districts seems to have been strongly discouraged by government in more recent times. Even if a new district were to get the go ahead the water license for such a district would have a very high risk attached as it would have a very junior priority. In years of high river flow these issues seem academic but successive years of drought make order of priority in right to use these waters the central issue.

Given this scenario, what alternatives are available for upstream users? An obvious choice appears to be increased storage capacity still further upstream of the OMD and other reservoirs currently in place. Additional storage capacity could be created either on stream or off in order to provide opportunity to users upstream. However, the right to store water in new reservoirs would again have a very high risk/junior priority because of the "first in use, first in right" principle currently governing water allocations in the Province of Alberta. What then would be the point of building more dams upstream if the water stored in those reservoirs is virtually unavailable to area users because the priority of their allocation is so far behind more senior licenses that the water is unavailable for local use?

Water stored in these reservoirs would simply add to the supply already available to downstream users from currently existing dams. Area residents would receive no direct benefit but only give up more land in order to site new storage facilities.

How could this dilemma be resolved? Transferring water allocations between users within the Oldman Basin so those upstream users could access water in stream or stored above the Oldman Dam seems a reasonable solution.

The principle of supply and demand currently dictates the price of an existing license available for transfer. Upstream users seeking additional allocations of water upstream would simply go to the open market and purchase a downstream license with a high enough priority to provide the water supply needed. This would apply to agricultural operations, as well as towns and villages seeking additional allocations upstream.

However, if the price of priority licenses becomes so high that smaller jurisdictions and individuals alike can no longer reasonably compete for these licenses they will be excluded from the process and remain without the ability to obtain additional water.

What becomes of the urban dweller and the business operator when shortages of water for domestic use, fire suppression and other basic requirements creates a crisis in a community unable to act? Would it be possible that a baseline per capita water allocation to cover those fundamental water requirements be identified for urban and non-agricultural users as is currently established for individual landowners and agricultural water users in rural settings? Based on a principle that every Albertan be entitled to a certain fundamental volume of water per year, government might mandate this per capita amount for the population of each jurisdiction. An incremental multiplier would have to be part of the per capita formula to accommodate expanding populations. The basic allocation would have an established price or a token fee attached which would create a province wide equity for water not based just on ability to pay. Beyond this amount, jurisdictions might go to the open market to secure additional allocations for facilities deemed necessary or desirable. Perhaps because of higher costs outside the so-called basic allocation jurisdictions would be further encouraged to follow a regime that would help to conserve water?

Some might argue that in a deregulated market place users should pay what the market dictates for water like any other commodity. Is water a commodity like any other? Are there special circumstances surrounding the availability of this more essential element?

In order for Government to mandate a baseline amount of water for every Albertan a reserve pool would have to be created from which government could secure the required amounts to meet the so-called basic requirement. Perhaps a quantity of water already exists in this form available for allocation. Additional amounts of water for future distribution could come from holdbacks on water allocation transfers within basin or perhaps in the future, even inter-basin transfers. Still further reserves might be obtained from allocations, which historically appear not to have been used.

As water issues are made more urgent particularly in the southern portion of the province new approaches to water allocation are necessary. Continuing low levels of mountain snow pack and low precipitation levels over a prolonged period have generated new urgencies for water users previously not contemplated. New, perhaps even novel approaches to redistribution of water within river basins in this province are needed. A new mind set with regard to basic entitlement to water of all Albertans regardless of financial circumstances is required. The orderly development of existing communities both urban and rural can go forward in this province but available, safe water supplies must be assured.

Thursday, November 08, 2001

Yours truly,

Brian C. Hammond

South Saskatchewan Basin Advisory Committee

Deliberations

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MEETING NOTES

SOUTH SASKATCHEWAN RIVER SUB-BASIN ADVISORY COMMITTEE

The South Saskatchewan River Basin Water Management Planning

Date: 23 October 2001
Location: Provincial Building, Medicine Hat

Attending:

- Sector Representatives and/or Alternates:

Sector:	Representative:
Rural Municipalities:	Floyd Haas
Urban Municipalities:	Frank Wetsch
Industrial:	Ron Wendling, Jim French (alternate)
Other Agriculture:	Len Mitzel
Recreation:	Duncan Baldie
Environmental:	Corlaine Gardner
Absent:	
Irrigation Agriculture:	Stan Klassen (with regrets)
First Nations:	Rick Yellowhorn
Recreation	Merv Petersen, Ralph Pinder

- Alberta Government staff:

Cheryl Dash, Community Relations Officer
Doug Ohrn, Basin Coordinator
Kathleen Murphy, Water Management

Meeting Topics:

1. **Welcome and Introductions:**

- Members reintroduced themselves and their sectors

2. **Review Agenda**

- No changes (addition/deletions) were suggested

3. **Purpose of meeting**

- It was identified that the role of the BAC has changed slightly in that they are going right into the discussions of water management planning. The first component that must be completed before 31 December 2001 was that of *Water Allocation Transfers*.

4. **Background**

- Doug O. briefly reviewed the presentations that were given at the joint BAC meeting (10 October 2001) in Calgary. Paper copies were also given out.

5. **BAC Input**

  - Discussion over the short timeline and that the BAC's were still expected to confer with their associated sectors and gather input. AENV would help by providing administrative support where needed.
  - As discussion occurs at meetings, some items not specifically dealing with *Water Allocation Transfers* will be 'parked' for future discussion.
  - To help guide BAC's through the topic of *Water Allocation Transfers* a workbook was developed. All BAC's will use this workbook.
  - As the discussion in all the basins continues, notes and related material will be shared in a timely manner.
  - Dates for the next meetings were set.
    - Tuesday November 13 evening 6:00 – 9:00 pm;
    - Saturday November 24 daytime 9:30am – 3:00 pm;
    - Tuesday November 27 evening 6:00 – 9:00 pm, and
    - Wednesday November 28 evening 6:00 – 9:00 pm.

6. **Discussion/Ideas/Questions**

- The original water allocation did not cost yet the transfer will create a price for the water transfer.
- Water markets and cost/benefits analysis should be looked at.
- At what point will waste assimilation be considered with flows. Will there be caps on sizes of operations (municipalities, ILO) or will the assimilation flows be identified at specific sites?
- Has this growing season/drought brought about an increased urgency in the planning or transfer process?
- Agricultural use registration of water on, beside, through and below land.
- Directors under the Water Act is the water manager which is appointed by the Minister
    - Prairie --- Dave McGee (for licencing), Alan Pentney for water management planning
    - Bow --- Dave Ardell
    - Parkland --- Larry Williams

- Agriculture feasibility report on newly proposed irrigated lands will help to determine if the land is suitable for irrigated land use.
- Licenses must be in good standing in order to be transferred.
- Definition of good standing still needs to be defined
    - Purpose is not the issue – but use is.
    - I.e. Municipalities that have forseen population increases and acquired licences for those projected populations…Is a volume of water licenced 20 years ago still be considered in good standing?
    - Also, if a transfer was applied for on a license that is considered not in good standing---which comes first, the application for transfer of the allocation or determination that the licence is not in good standing…which does not allow for the transfer to take place…refusal of the transfer application or the cancellation of the license if not in good standing?
- Is it possible to cancel part of a license? May justify reasons for using/keeping it.
- Cost and price should be involved.
- Cancelled license would lose priority.
- Where/when is the balance between consumptive and environment going to be considered if you can transfer larger than 10% to maintain the health of the river.
    - Hypothetical…50% to stressed reach and 50% back to consumptive on a cancelled license.
- Pipelines and off stream storage options should be considered.
- Some irrigation districts have too much water licensed to them…can this be clawed back --- not in good standing…water cannot be used because the land in the district could not use that much water.
- Definitions of hydraulic, hydrological, hydrogeological were discussed.
- If I'm not using my license (because of water conservation efforts) should my "not in good standing" status be 'clawed back' to the stream?
- When is the definitions of "good standing" going to be ready?
- Do natural flows, which are return flows, supercede others? (I.e. Seven Persons).

These notes were prepared by Cheryl Dash (403-381-5562). Please let me know if there are any errors or omissions.

Copies to: All attendees
BAC Coordinators

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MEETING NOTES

SOUTH SASKATCHEWAN RIVER SUB-BASIN ADVISORY COMMITTEE

The South Saskatchewan River Basin Water Management Planning

Date: 13 November 2001
Location: Provincial Building, Medicine Hat

Attending:

- Sector Representatives and/or Alternates:

Sector:	Representative:
Rural Municipalities:	Floyd Haas
Urban Municipalities:	David Teasdale
Industrial:	Ron Wendling, Jim French (alternate)
Other Agriculture:	Len Mitzel
Recreation:	Duncan Baldie
Environmental:	Corlaine Gardner
Irrigation Agriculture:	Stan Klassen

- Alberta Government staff:

Cheryl Dash, Community Relations Officer
Doug Ohrn, Basin Coordinator

Meeting Topics:

1. Welcome and Introductions:

- Members reintroduced themselves and their sectors.

2. Review Agenda

- No changes (addition/deletions) were suggested

3. Administration

- Reminder to all BAC members to submit expense claims to D. Ohrn or C. Dash by the end of the year if you are claiming for mileage, meals or accommodation. Those organizations that are able to cover expenses of members are encouraged to continue to do so.
- Copies of Dave McGee's presentation on Oct. 10 at the Joint BAC meeting have been requested by Cheryl Bradley, Brian Hammond and Greg Nikles.
- The video of the joint BAC meeting is not ready. We will try to get this done by end of next week (November 16, 2001).
- Alberta Environment will be hosting the webpage for the South Saskatchewan River Basin Water Management Plan. Some information will hopefully be posted by Friday November 16, 2001.
- Discussion over the possibility of the SSRS BAC starting a list server took place and general agreement was that the BAC would like to pursue this. Cheryl to arrange set-up and notification to BAC.
- The list server is one means of providing input. It is intended to help foster and record discussion. All SS BAC members are invited to join in the discussion. The list server opportunity is being provided by the Eastern Irrigation District to all the BAC's.
  To register please follow these steps...
  1) Go to website http://eid01.eidnet.org/guest/RemoteListSummary/brbac
  2) Enter your e-mail address in the box indicated, and
  3) Click on the submit button.
  You can post text within an e-mail message or an e-mail message with attachments to the BRBAC List Server by e-mailing:
  brbac_list@eidnet.org
  The only limitation is that the size of the attachments and messages must be less than 1000 KB. If that is a problem let me know and I can increase the size.
  Red Deer BAC list server:
  To subscribe click go to this link
  http://eid01.eidnet.org/guest/RemoteListSummary/rdrbac
  If you place a message on the website of another BAC, please state your name and state that you are a member of the SS BAC.
- DRAFT minutes were approved – no comments received.
- Water Availability Information Package was reviewed and discussed. Extra copies were made available to members.
- Next meeting: Saturday November 24, 9:30am – 3:00 pm Medicine Hat Provincial Building.

4. Matters and Factors

- Temporary or permanent transfers – can they be adjusted according to the effect on the environment downstream.
- Water quality of return low in urban and rural systems.
- Is the return flow calculated in the overall flow? --- it's better to assume no return flow. Irrigation districts are aiming to reduce all return flow.
- Effects on the aquatic environment, waste assimilation – especially in extreme rainfall events.

5. Holdbacks

- Temporary or permanent? According to need/user
- What is the Director considering…and why?…Will this stand-up in the event of an appeal? We should know what is being considered and what his/her expectations/priorities are.
- Is the return flow being used in the overall flow calculation for holdbacks?
- If transferring from an old licence with no instream objective, director applies discretion for the amount of holdback (up to 10%)…but only if needed for instream objectives.
- IN's should recognize variation in stream flow (seasonally).
- Transfers and timing…if possible, using specific times on the holdback amount or transfer, try to help the natural fluctuations of the river.
- Define temporary. 5 years or less?
- Withhold on transfers more than 5 years.

6. Parked Items

- What is "in good standing"?
- Need to examine instream objective information closer in making decisions.
- Is return flow factored into the calculation of overall flow. Will this affect holdbacks?
- Interbasin transfers…are they a possibility?
- Can the un-used part of existing municipal licences be used for instream objectives for future waste assimilation?
- Improve treatment of water flowing back into system – don't use water flow for assimilation.
- Industry is on the path of zero discharge.
- "First in time, first in right" is this really the right way to go??? Maybe priority rights should be re-examined.
- If the water volume and priority of an old licence that has no instream objective attached is being transferred, can a new instream objective be attached to the new licence receiving the transfer to ensure the aquatic environment will not be affected?
- Withholding on temporary transfers should only be for length of transfer.
- Can IO's and WCO's be met in other ways? Other than through holdbacks?
- Education – people north of Edmonton don't appreciate water issues.

These notes were prepared by Cheryl Dash (403-381-5562). Please let me know if there are any errors or omissions.

Copies to: All attendees
BAC Coordinators

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MEETING NOTES

SOUTH SASKATCHEWAN RIVER SUB-BASIN ADVISORY COMMITTEE

The South Saskatchewan River Basin Water Management Planning

Date: 24 and 27 November 2001
Location: Provincial Building, Medicine Hat

Attending:

- Sector Representatives and/or Alternates:

Sector:	Representative:
Rural Municipalities:	Floyd Haas
Urban Municipalities:	Frank Wetsch
Industrial:	Ron Wendling, Jim French (alternate)
Other Agriculture:	Len Mitzel
Recreation:	Duncan Baldie (27 only)
Environmental:	Corlaine Gardner
Irrigation Agriculture:	Stan Klassen (24 only), Keith Francis (27 only)

Absent:

First Nations:	Rick Yellowhorn
Recreation	Merv Petersen, Ralph Pinder

- Alberta Government staff:

Cheryl Dash, Community Relations Officer
Doug Ohrn, Basin Coordinator

Meeting Topics:

1. **Welcome**

2. **Review Agenda**

- No changes (addition/deletions) were suggested

3. **Administration**

- There was some discussion about holding another joint BAC meeting in January to review the plan and to brainstorm ideas for phase 2. BAC members are in favour of another joint meeting.
- Public involvement for phase 1 was reviewed and it was identified that there would be one open house in Medicine Hat for the South Saskatchewan River Sub-basin. BAC members are encouraged to participate.
- Reminder to all BAC members to submit expense claims to D. Ohrn or C. Dash by the end of the year if you are claiming for mileage, meals or accommodation. Those organizations that are able to cover expenses of members are encouraged to continue to do so.

Advice from the South Saskatchewan River Sub BAC

The points listed below are not in order of priority

1. **Matters & Factors that the Director should consider when reviewing applications for water allocation transfers:**

- Temporary or permanent transfers – can they be adjusted according to the effect on the environment downstream and upstream. All transfers (upstream and downstream) should ensure that there is 'no harm' on a third party (of equal or senior priority) between the transfer (from the old diversion to the new diversion) or further downstream. The 'user' is to include the aquatic environment as well as human or industrial use.
- Fully allocated vs fully used – the transfer, or consideration of a transfer, should examine the changes in the system … for example if you are currently using 60% of your allocation, and decide to transfer the remaining 40% (upstream or downstream), effects or changes in the overall system of water use should be considered.
- Water quality of return flow in urban and rural systems.
- Effects on the aquatic environment dealing with waste assimilation.
- Effects on the user and aquatic environment by upstream transfers.
- Just as the Irrigation Districts Act requires that land must be identified as being suitable for irrigation if it is to receive water for irrigation, the Director must consider the suitability of the land for irrigation in the case of a transfer for that purpose.

2. **Water Conservation Holdbacks:**

- Criteria the director uses should be available to the public
- Manage for median flows.

3. **Future Evaluation of Transfers System:**

- Track stream health as the transfer program and holdbacks progress. Initially to establish a baseline and then determine the best time intervals.
- How much volume is transferred.
- How much volume in the holdbacks and use.
- Has the transfer process actually increased the overall consumptive use.
- Tracking ownership (monopoly and foreign ownership concerns).
- Changes in water quality due to transfers.
- Water administration could track dollars
- Changes in consumptive uses
- What and where there are changes in use
- How much of the water is being returned to the stream over the whole program – over a certain reach – other?

4. Topics for future phases of the SSRB Water Management Plan:

- Socioeconomic factors/considerations
    - Balance between economy and environment
    - Sustainability
    - Working within legitimate boundaries of environment and economy
    - Win-win situations
- Conservation education
    - What is conservation?
    - What is waste?
- Water quality – don't kill the system
    - Act sooner, not later
    - Return flows – quality?
    - Urban runoff – treatment (get data and avoid finger pointing)
- Basin water policies

5. Points to be addressed outside the SSRB Water Management Plan

Good Standing

- If a licence is cancelled then a portion can be reserved (by the Crown) for the aquatic environment then the remaining can go back into the system for re-allocation. This division should be equitable.
- The licence that is cancelled does not retain priority.

Parked

- Water quality problems resulting from extreme rainfall events.
- Transfers – does this pertain to what you are 'traditionally' using or part of your total allocation.
- Storage or development of off stream storage options – the director should consider future transfers in the approval of funding of infrastructure.
- Interbasin transfers

These notes were prepared by Cheryl Dash (403-381-5562). Please let me know if there are any errors or omissions.
Copies to: All attendees BAC Coordinator